

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 2921

Chapter 3, Laws of 2010

61st Legislature
2010 Regular Session

2009-11 OPERATING BUDGET

EFFECTIVE DATE: 02/15/2010 - Except sections 601 through 605,
which become effective 03/17/10.

Passed by the House February 10, 2010
Yeas 97 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate February 9, 2010
Yeas 45 Nays 3

BRAD OWEN

President of the Senate

Approved February 15, 2010, 3:40 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2921** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

February 16, 2010

**Secretary of State
State of Washington**

| | | |
|---|--|---------------------------|
| 1 | Department of Personnel Service Account--State | |
| 2 | Appropriation | \$760,000 |
| 3 | Local Government Archives Account--State Appropriation . . | \$11,777,000 |
| 4 | Election Account--Federal Appropriation | \$29,715,000 |
| 5 | TOTAL APPROPRIATION | (\$99,050,000) |
| 6 | | <u>\$97,618,000</u> |

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

9 (1) \$4,101,000 of the general fund--state appropriation for fiscal
10 year 2010 is provided solely to reimburse counties for the state's
11 share of primary and general election costs and the costs of conducting
12 mandatory recounts on state measures. Counties shall be reimbursed
13 only for those odd-year election costs that the secretary of state
14 validates as eligible for reimbursement.

15 (2)(a) \$1,897,000 of the general fund--state appropriation for
16 fiscal year 2010 and \$2,076,000 of the general fund--state
17 appropriation for fiscal year 2011 are provided solely for contracting
18 with a nonprofit organization to produce gavel-to-gavel television
19 coverage of state government deliberations and other events of
20 statewide significance during the 2009-2011 biennium. The funding
21 level for each year of the contract shall be based on the amount
22 provided in this subsection. The nonprofit organization shall be
23 required to raise contributions or commitments to make contributions,
24 in cash or in kind, in an amount equal to forty percent of the state
25 contribution. The office of the secretary of state may make full or
26 partial payment once all criteria in this subsection have been
27 satisfactorily documented.

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

33 (c) The nonprofit organization shall prepare an annual independent
34 audit, an annual financial statement, and an annual report, including
35 benchmarks that measure the success of the nonprofit organization in
36 meeting the intent of the program.

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

1 (i) Attempting to influence the passage or defeat of any
2 legislation by the legislature of the state of Washington, by any
3 county, city, town, or other political subdivision of the state of
4 Washington, or by the congress, or the adoption or rejection of any
5 rule, standard, rate, or other legislative enactment of any state
6 agency;

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

10 (3) The appropriations in this section are based upon savings
11 assumed from the implementation of Senate Bill No. 6122 (election
12 costs).

13 (4) The secretary of state shall not reduce the services provided
14 by the talking book and Braille library below the service level
15 provided in fiscal year 2008.

16 (5) In implementing budget reductions, the office of the secretary
17 of state must make its first priority to maintain funding for the
18 elections division.

19 **Sec. 102.** 2009 c 564 s 125 (uncodified) is amended to read as
20 follows:

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

| | | |
|----|---|----------------------------|
| 22 | General Fund--State Appropriation (FY 2010) | ((\$171,000)) |
| 23 | | <u>\$168,000</u> |
| 24 | General Fund--State Appropriation (FY 2011) | ((\$212,000)) |
| 25 | | <u>\$209,000</u> |
| 26 | TOTAL APPROPRIATION | ((\$383,000)) |
| 27 | | <u>\$377,000</u> |

28 **Sec. 103.** 2009 c 564 s 126 (uncodified) is amended to read as
29 follows:

30 **FOR THE ATTORNEY GENERAL**

| | | |
|----|---|------------------------------|
| 31 | General Fund--State Appropriation (FY 2010) | ((\$5,325,000)) |
| 32 | | <u>\$5,285,000</u> |
| 33 | General Fund--State Appropriation (FY 2011) | ((\$5,654,000)) |
| 34 | | <u>\$5,614,000</u> |
| 35 | General Fund--Federal Appropriation | \$4,026,000 |
| 36 | New Motor Vehicle Arbitration Account--State | |

| | | |
|---|---|--------------------------------|
| 1 | Appropriation | \$1,346,000 |
| 2 | Legal Services Revolving Account--State | |
| 3 | Appropriation | \$221,515,000 |
| 4 | Tobacco Prevention and Control Account--State | |
| 5 | Appropriation | \$270,000 |
| 6 | TOTAL APPROPRIATION | ((\$238,136,000)) |
| 7 | | <u>\$238,056,000</u> |

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

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

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

25 (3) The office of the attorney general is authorized to expend
26 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer
27 protection costs in accordance with uses authorized in the court
28 orders.

29 (4) The attorney general shall annually report to the fiscal
30 committees of the legislature all new cy pres awards and settlements
31 and all new accounts, disclosing their intended uses, balances, the
32 nature of the claim or account, proposals, and intended timeframes for
33 the expenditure of each amount. The report shall be distributed
34 electronically and posted on the attorney general's web site. The
35 report shall not be printed on paper or distributed physically.

36 **Sec. 104.** 2009 c 564 s 127 (uncodified) is amended to read as
37 follows:

1 **FOR THE CASELOAD FORECAST COUNCIL**

| | | |
|---|---|------------------------------|
| 2 | General Fund--State Appropriation (FY 2010) | ((\$779,000)) |
| 3 | | <u>\$766,000</u> |
| 4 | General Fund--State Appropriation (FY 2011) | ((\$772,000)) |
| 5 | | <u>\$759,000</u> |
| 6 | TOTAL APPROPRIATION | ((\$1,551,000)) |
| 7 | | <u>\$1,525,000</u> |

8 The appropriations in this section are subject to the following
9 conditions and limitations: \$13,000 of the general fund--state
10 appropriation for fiscal year 2010 and \$7,000 of the general fund--
11 state appropriation for fiscal year 2011 are for the implementation of
12 Second Substitute House Bill No. 2106 (improving child welfare outcomes
13 through the phased implementation of strategic and proven reforms). If
14 the bill is not enacted by June 30, 2009, the amounts provided in this
15 subsection shall lapse.

16 **Sec. 105.** 2009 c 564 s 128 (uncodified) is amended to read as
17 follows:

18 **FOR THE DEPARTMENT OF ((~~COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT~~))**
19 **COMMERCE**

| | | |
|----|---|-------------------------------|
| 20 | General Fund--State Appropriation (FY 2010) | ((\$51,240,000)) |
| 21 | | <u>\$51,015,000</u> |
| 22 | General Fund--State Appropriation (FY 2011) | ((\$51,938,000)) |
| 23 | | <u>\$51,813,000</u> |
| 24 | General Fund--Federal Appropriation | \$384,540,000 |
| 25 | General Fund--Private/Local Appropriation | \$16,266,000 |
| 26 | Public Works Assistance Account--State Appropriation | \$2,990,000 |
| 27 | Tourism Development and Promotion Account--State | |
| 28 | Appropriation | \$1,003,000 |
| 29 | Drinking Water Assistance Administrative | |
| 30 | Account--State Appropriation | \$439,000 |
| 31 | Lead Paint Account--State Appropriation | \$18,000 |
| 32 | Building Code Council Account--State Appropriation | \$1,286,000 |
| 33 | Home Security Fund Account--State Appropriation | \$23,498,000 |
| 34 | Affordable Housing for All Account--State Appropriation | \$11,900,000 |
| 35 | Washington Auto Theft Prevention Authority | |
| 36 | Account--State Appropriation | \$300,000 |
| 37 | Independent Youth Housing Account--State Appropriation | \$80,000 |

| | | |
|----|---|----------------------|
| 1 | Community Preservation and Development Authority | |
| 2 | Account--State Appropriation | .\$350,000 |
| 3 | Financial Fraud and Identity Theft Crimes Investigation | |
| 4 | and Prosecution Account--State Appropriation | .\$1,166,000 |
| 5 | Low-Income Weatherization Assistance Account--State | |
| 6 | Appropriation | \$8,382,000 |
| 7 | Manufacturing Innovation and Modernization | |
| 8 | Account--State Appropriation | .\$246,000 |
| 9 | Community and Economic Development Fee | |
| 10 | Account--State Appropriation | .\$1,833,000 |
| 11 | Washington Housing Trust Account--State Appropriation . . . | .\$15,372,000 |
| 12 | Public Facility Construction Loan Revolving | |
| 13 | Account--State Appropriation | .\$755,000 |
| 14 | TOTAL APPROPRIATION | ((\$573,602,000)) |
| 15 | | <u>\$573,252,000</u> |

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

18 (1) \$2,520,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$2,521,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for a contract with the Washington
21 technology center for work essential to the mission of the Washington
22 technology center and conducted in partnership with universities.

23 (2) Repayments of outstanding loans granted under RCW 43.63A.600,
24 the mortgage and rental assistance program, shall be remitted to the
25 department, including any current revolving account balances. The
26 department shall collect payments on outstanding loans, and deposit
27 them into the state general fund. Repayments of funds owed under the
28 program shall be remitted to the department according to the terms
29 included in the original loan agreements.

30 (3) \$100,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$100,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely to implement section 2(7) of
33 Engrossed Substitute House Bill No. 1959 (land use and transportation
34 planning for marine container ports).

35 (4) \$102,000 of the building code council account--state
36 appropriation is provided solely for the implementation of sections 3
37 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built

1 environment pollution). If sections 3 and 7 of the bill are not
2 enacted by June 30, 2009, the amounts provided in this subsection shall
3 lapse.

4 (5)(a) \$10,500,000 of the general fund--federal appropriation is
5 provided for training and technical assistance associated with low
6 income weatherization programs. Subject to federal requirements, the
7 department shall provide: (i) Up to \$4,000,000 to the state board for
8 community and technical colleges to provide workforce training related
9 to weatherization and energy efficiency; (ii) up to \$3,000,000 to the
10 Bellingham opportunity council to provide workforce training related to
11 energy efficiency and weatherization; and (iii) up to \$3,500,000 to
12 community-based organizations and to community action agencies
13 consistent with the provisions of Engrossed Second Substitute House
14 Bill No. 2227 (evergreen jobs act). Any funding remaining shall be
15 expended in project 91000013, weatherization, in the omnibus capital
16 appropriations act, Substitute House Bill No. 1216 (capital budget).

17 (b) \$6,787,000 of the general fund--federal appropriation is
18 provided solely for the state energy program, including not less than
19 \$5,000,000 to provide credit enhancements consistent with the
20 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy
21 efficiency in buildings).

22 (c) Of the general fund--federal appropriation the department shall
23 provide: \$14,500,000 to the Washington State University for the
24 purpose of making grants for pilot projects providing community-wide
25 urban, residential, and commercial energy efficiency upgrades
26 consistent with the provisions of Engrossed Second Substitute Senate
27 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington
28 State University to conduct farm energy assessments. In contracting
29 with the Washington State University for the provision of these
30 services, the total administration of Washington State University and
31 the department shall not exceed 3 percent of the amounts provided.

32 (d) \$38,500,000 of the general fund--federal appropriation is
33 provided for deposit in the energy recovery act account to establish a
34 revolving loan program, consistent with the provisions of Engrossed
35 Substitute House Bill No. 2289 (expanding energy freedom program).

36 (e) \$10,646,000 of the general fund--federal appropriation is
37 provided pursuant to the energy efficiency and conservation block grant
38 under the American reinvestment and recovery act. The department may

1 use up to \$3,000,000 of the amount provided in this subsection to
2 provide technical assistance for energy programs administered by the
3 agency under the American reinvestment and recovery act.

4 (6) \$14,000 of the general fund--state appropriation for fiscal
5 year 2010 is provided solely for the implementation of Engrossed Second
6 Substitute Senate Bill No. 5560 (state agency climate leadership). If
7 the bill is not enacted by June 30, 2009, the amount provided in this
8 subsection shall lapse.

9 (~~(+8)~~) (7) \$22,400,000 of the general fund--federal appropriation
10 is provided solely for the justice assistance grant program and is
11 contingent upon the department transferring: \$1,200,000 to the
12 department of corrections for security threat mitigation, \$2,336,000 to
13 the department of corrections for offender reentry, \$1,960,000 to the
14 Washington state patrol for law enforcement activities, \$2,087,000 to
15 the department of social and health services, division of alcohol and
16 substance abuse for drug courts, and \$428,000 to the department of
17 social and health services for sex abuse recognition training. The
18 remaining funds shall be distributed by the department to local
19 jurisdictions.

20 (~~(+9)~~) (8) \$20,000 of the general fund--state appropriation for
21 fiscal year 2010 and \$20,000 of the general fund--state appropriation
22 for fiscal year 2011 are provided solely for a grant to KCTS public
23 television to support Spanish language programming and the V-me Spanish
24 language channel.

25 (~~(+10)~~) (9) \$500,000 of the general fund--state appropriation for
26 fiscal year 2010 and \$500,000 of the general fund--state appropriation
27 for fiscal year 2011 are provided solely for a grant to resolution
28 Washington to building statewide capacity for alternative dispute
29 resolution centers and dispute resolution programs that guarantee that
30 citizens have access to low-cost resolution as an alternative to
31 litigation.

32 (~~(+12)~~) (10) \$30,000 of the general fund--state appropriation for
33 fiscal year 2010 is provided solely for implementation of Engrossed
34 Second Substitute Senate Bill No. 6015 (commercialization of
35 technology). If the bill is not enacted by June 30, 2009, the amount
36 provided in this subsection shall lapse.

37 (~~(+13)~~) (11) By June 30, 2011, the department shall request
38 information that describes what jurisdictions have adopted, or are in

1 the process of adopting, plans that address RCW 36.70A.020 and helps
2 achieve the greenhouse gas emission reductions established in RCW
3 70.235.020. This information request in this subsection applies to
4 jurisdictions that are required to review and if necessary revise their
5 comprehensive plans by December 1, 2011, in accordance with RCW
6 36.70A.130.

7 ~~((+14+))~~ (12) During the 2009-11 fiscal biennium, the department
8 shall allot all of its appropriations subject to allotment by object,
9 account, and expenditure authority code to conform with the office of
10 financial management's definition of an option 2 allotment. For those
11 funds subject to allotment but not appropriation, the agency shall
12 submit option 2 allotments to the office of financial management.

13 ~~((+16+))~~ (13) \$50,000 of the general fund--state appropriation for
14 fiscal year 2010 and \$50,000 of the general fund--state appropriation
15 for fiscal year 2011 are provided solely for a grant for the state's
16 participation in the Pacific Northwest economic region.

17 ~~((+18+))~~ (14) \$712,000 of the general fund--state appropriation for
18 fiscal year 2010 and \$712,000 of the general fund--state appropriation
19 for fiscal year 2011 are provided solely to the office of crime victims
20 advocacy. These funds shall be contracted with the 39 county
21 prosecuting attorneys' offices to support victim-witness services. The
22 funds must be prioritized to ensure a full-time victim-witness
23 coordinator in each county. The office may retain only the amount
24 currently allocated for this activity for administrative costs.

25 ~~((+19+))~~ (15) \$306,000 of the general fund--state appropriation for
26 fiscal year 2010 and \$306,000 of the general fund--state appropriation
27 for fiscal year 2011 are provided solely for a grant to the retired
28 senior volunteer program.

29 ~~((+20+))~~ (16) \$65,000 of the general fund--state appropriation for
30 fiscal year 2010 and \$65,000 of the general fund--state appropriation
31 for fiscal year 2011 are provided solely for a contract with a food
32 distribution program for communities in the southwestern portion of the
33 state and for workers impacted by timber and salmon fishing closures
34 and reductions. The department may not charge administrative overhead
35 or expenses to the funds provided in this subsection.

36 ~~((+21+))~~ (17) \$371,000 of the general fund--state appropriation for
37 fiscal year 2010 and \$371,000 of the general fund--state appropriation

1 for fiscal year 2011 are provided solely to the northwest agriculture
2 business center.

3 ~~((+22+))~~ (18) The department shall administer its growth management
4 act technical assistance so that smaller cities receive proportionately
5 more assistance than larger cities or counties. Pass-through grants
6 shall continue to be funded under 2007-09 policy.

7 ~~((+23+))~~ (19) \$212,000 of the general fund--federal appropriation
8 is provided solely for implementation of Second Substitute House Bill
9 No. 1172 (development rights transfer). If the bill is not enacted by
10 June 30, 2009, the amount provided in this subsection shall lapse.

11 ~~((+25+))~~ (20) \$69,000 of the general fund--state appropriation for
12 fiscal year 2010 and \$66,000 of the general fund--state appropriation
13 for fiscal year 2011 are provided solely for implementation of
14 Engrossed Second Substitute House Bill No. 2227 (evergreen jobs act).
15 If the bill is not enacted by June 30, 2009, the amounts provided in
16 this subsection shall lapse.

17 ~~((+26+))~~ (21) \$350,000 of the community development and
18 preservation authority account--state appropriation is provided solely
19 for a grant to a community development authority established under
20 chapter 43.167 RCW. The community preservation and development's board
21 of directors may contract with nonprofit community organizations to aid
22 in mitigating the effects of increased public impact on urban
23 neighborhoods due to events in stadia that have a capacity of over
24 50,000 spectators.

25 ~~((+27+))~~ (22) \$300,000 of the Washington auto theft prevention
26 authority account--state appropriation is provided solely for a
27 contract with a community group to build local community capacity and
28 economic development within the state by strengthening political
29 relationships between economically distressed communities and
30 governmental institutions. The community group shall identify
31 opportunities for collaboration and initiate activities and events that
32 bring community organizations, local governments, and state agencies
33 together to address the impacts of poverty, political
34 disenfranchisement, and economic inequality on communities of color.
35 These funds must be matched by other nonstate sources on an equal
36 basis.

37 ~~((+28+))~~ (23) \$1,800,000 of the home security fund--state

1 appropriation is provided for transitional housing assistance or
2 partial payments for rental assistance under the independent youth
3 housing program.

4 ~~((+29))~~ (24) \$5,000,000 of the home security fund--state
5 appropriation is provided solely for the operation, repair, and
6 staffing of shelters in the homeless family shelter program.

7 **Sec. 106.** 2009 c 564 s 129 (uncodified) is amended to read as
8 follows:

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

| | | |
|----|---|------------------------------|
| 10 | General Fund--State Appropriation (FY 2010) | ((\$727,000)) |
| 11 | | <u>\$711,000</u> |
| 12 | General Fund--State Appropriation (FY 2011) | ((\$793,000)) |
| 13 | | <u>\$785,000</u> |
| 14 | TOTAL APPROPRIATION | ((\$1,520,000)) |
| 15 | | <u>\$1,496,000</u> |

16 **Sec. 107.** 2009 c 564 s 130 (uncodified) is amended to read as
17 follows:

18 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

| | | |
|----|---|-------------------------------|
| 19 | General Fund--State Appropriation (FY 2010) | ((\$22,163,000)) |
| 20 | | <u>\$21,599,000</u> |
| 21 | General Fund--State Appropriation (FY 2011) | ((\$20,792,000)) |
| 22 | | <u>\$20,670,000</u> |
| 23 | General Fund--Federal Appropriation | \$23,597,000 |
| 24 | General Fund--Private/Local Appropriation | \$1,270,000 |
| 25 | State Auditing Services Revolving | |
| 26 | Account--State Appropriation | \$25,000 |
| 27 | Economic Development Strategic Reserve Account-- | |
| 28 | State Appropriation | \$280,000 |
| 29 | TOTAL APPROPRIATION | ((\$68,127,000)) |
| 30 | | <u>\$67,441,000</u> |

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

33 (1) \$188,000 of the general fund--state appropriation for fiscal
34 year 2010 is provided solely for the implementation of Second
35 Substitute Senate Bill No. 5945 (Washington health partnership plan).

1 If the bill is not enacted by June 30, 2009, the amount provided in
2 this subsection shall lapse.

3 (2) The office of financial management shall conduct a study on
4 alternatives for consolidating or transferring activities and
5 responsibilities of the state lottery commission, state horse racing
6 commission, state liquor control board, and the state gambling
7 commission to achieve cost savings and regulatory efficiencies. In
8 conducting the study, the office of financial management shall consult
9 with the legislative fiscal committees. Further, the office of
10 financial management shall establish an advisory group to include, but
11 not be limited to, representatives of affected businesses, state
12 agencies or entities, local governments, and stakeholder groups. The
13 office of financial management shall submit a final report to the
14 governor and the legislative fiscal committees by November 15, 2009.

15 (3) \$500,000 of the general fund--state appropriation for fiscal
16 year 2010 is provided solely for a study of the feasibility of closing
17 state institutional facilities and a plan on eliminating beds in the
18 state institutional facility inventory. The office of financial
19 management shall contract with consultants with expertise related to
20 the subject matters included in this study. The office of financial
21 management and the consultants shall consult with the department of
22 social and health services, the department of corrections, stakeholder
23 groups that represent the people served in these institutions, labor
24 organizations that represent employees who work in these institutions
25 and other persons or entities with expertise in the areas being
26 studied.

27 (a) For the purposes of this study, "state institutional
28 facilities" means facilities operated by the department of corrections
29 to house persons convicted of a criminal offense, Green Hill school and
30 Maple Lane school operated by the department of social and health
31 services juvenile rehabilitation administration, and residential
32 habilitation centers operated by the department of social and health
33 services.

34 (b) In conducting this study, the consultants shall consider the
35 following factors as appropriate:

36 (i) The availability of alternate facilities including alternatives
37 and opportunities for consolidation with other facilities, impacts on
38 those alternate facilities, and any related capital costs;

1 (ii) The cost of operating the facility, including the cost of
2 providing services and the cost of maintaining or improving the
3 physical plant of the facility;

4 (iii) The geographic factors associated with the facility,
5 including the impact of the facility on the local economy and the
6 economic impact of its closure, and alternative uses for a facility
7 recommended for closure;

8 (iv) The costs associated with closing the facility, including the
9 continuing costs following the closure of the facility;

10 (v) Number and type of staff and the impact on the facility staff
11 including other employment opportunities if the facility is closed;

12 (vi) The savings that will accrue to the state from closure or
13 consolidation of a facility and the impact any closure would have on
14 funding the associated services; and

15 (vii) For the residential habilitation centers, the impact on
16 clients in the facility being recommended for closure and their
17 families, including ability to get alternate services and impact on
18 being moved to another facility.

19 (c) The office of financial management shall submit a final report
20 to the governor and the ways and means committees of the house of
21 representatives and senate by November 1, 2009. The report shall
22 provide a recommendation and a plan to eliminate 1,580 beds in the
23 department of corrections facilities, 235 beds from juvenile
24 rehabilitation facilities, and 250 funded beds in the residential
25 habilitation centers through closure or consolidation of facilities.
26 The report shall include an assessment of each facility studied, where
27 and how the services should be provided, and any costs or savings
28 associated with each recommendation. In considering the
29 recommendations of the report, the governor and the legislature shall
30 not consider closure of any state institutional facility unless the
31 report recommended the facility for closure.

32 **Sec. 108.** 2009 c 564 s 137 (uncodified) is amended to read as
33 follows:

34 **FOR THE DEPARTMENT OF REVENUE**

| | |
|--|--------------------------------|
| 35 General Fund--State Appropriation (FY 2010) | ((\$109,412,000)) |
| | <u>\$108,215,000</u> |
| 37 General Fund--State Appropriation (FY 2011) | ((\$108,505,000)) |

1 \$1,346,000
 2 TOTAL APPROPRIATION ((~~\$2,732,000~~))
 3 \$2,688,000

4 **Sec. 110.** 2009 c 564 s 143 (uncodified) is amended to read as
 5 follows:

6 **FOR THE DEPARTMENT OF INFORMATION SERVICES**
 7 General Fund--State Appropriation (FY 2010) ((~~\$1,104,000~~))
 8 \$1,086,000
 9 General Fund--State Appropriation (FY 2011) ((~~\$1,104,000~~))
 10 \$1,086,000
 11 General Fund--Federal Appropriation \$701,000
 12 Data Processing Revolving Account--State Appropriation . . . \$7,824,000
 13 TOTAL APPROPRIATION ((~~\$10,733,000~~))
 14 \$10,697,000

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

17 (1) \$100,000 of the general fund--state appropriation for fiscal
 18 year 2010 and \$100,000 of the general fund--state appropriation for
 19 fiscal year 2011 are provided solely for the purposes of Engrossed
 20 Second Substitute House Bill No. 1701 (high-speed internet), including
 21 expenditure for deposit to the community technology opportunity
 22 account. If the bill is not enacted by June 30, 2009, the amounts
 23 provided in this subsection shall lapse.

24 (2) The department shall implement some or all of the following
 25 strategies to achieve savings on information technology expenditures
 26 through: (a) Holistic virtualization strategies; (b) wide-area network
 27 optimization strategies; (c) replacement of traditional telephone
 28 communications systems with alternatives; and (d) migration of external
 29 voice mail systems to internal voice mail systems coordinated by the
 30 department. The department shall report to the office of financial
 31 management and the fiscal committees of the legislature semiannually on
 32 progress made towards the implementation of savings strategies and the
 33 savings realized to date. No later than June 30, 2011, the department
 34 shall submit a final report on its findings and savings realized to the
 35 office of financial management and the fiscal committees of the
 36 legislature.

1 **Sec. 111.** 2009 c 564 s 151 (uncodified) is amended to read as
2 follows:

3 **FOR THE MILITARY DEPARTMENT**

| | | |
|----|---|--------------------------------|
| 4 | General Fund--State Appropriation (FY 2010) | ((\$10,244,000)) |
| 5 | | <u>\$10,084,000</u> |
| 6 | General Fund--State Appropriation (FY 2011) | ((\$10,290,000)) |
| 7 | | <u>\$10,190,000</u> |
| 8 | General Fund--Federal Appropriation | \$149,101,000 |
| 9 | Enhanced 911 Account--State Appropriation | \$39,598,000 |
| 10 | Disaster Response Account--State Appropriation | \$28,194,000 |
| 11 | Disaster Response Account--Federal Appropriation | \$91,263,000 |
| 12 | Military Department Rent and Lease Account--State | |
| 13 | Appropriation | \$615,000 |
| 14 | Military Department Active State Service Account--Federal | |
| 15 | Appropriation | \$200,000 |
| 16 | Worker and Community Right-to-Know Account--State | |
| 17 | Appropriation | \$341,000 |
| 18 | Nisqually Earthquake Account--State Appropriation | \$144,000 |
| 19 | Nisqually Earthquake Account--Federal Appropriation | \$856,000 |
| 20 | TOTAL APPROPRIATION | ((\$330,846,000)) |
| 21 | | <u>\$330,586,000</u> |

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

24 (1) \$28,194,000 of the disaster response account--state
25 appropriation and \$91,263,000 of the disaster response account--federal
26 appropriation may be spent only on disasters declared by the governor
27 and with the approval of the office of financial management. The
28 military department shall submit a report quarterly to the office of
29 financial management and the legislative fiscal committees detailing
30 information on the disaster response account, including: (a) The
31 amount and type of deposits into the account; (b) the current available
32 fund balance as of the reporting date; and (c) the projected fund
33 balance at the end of the 2009-2011 biennium based on current revenue
34 and expenditure patterns.

35 (2) \$144,000 of the Nisqually earthquake account--state
36 appropriation and \$856,000 of the Nisqually earthquake account--federal
37 appropriation are provided solely for response and recovery costs
38 associated with the February 28, 2001, earthquake. The military

1 department shall submit a report quarterly to the office of financial
2 management and the legislative fiscal committees detailing earthquake
3 recovery costs, including: (a) Estimates of total costs; (b)
4 incremental changes from the previous estimate; (c) actual
5 expenditures; (d) estimates of total remaining costs to be paid; and
6 (e) estimates of future payments by biennium. This information shall
7 be displayed by fund, by type of assistance, and by amount paid on
8 behalf of state agencies or local organizations. The military
9 department shall also submit a report quarterly to the office of
10 financial management and the legislative fiscal committees detailing
11 information on the Nisqually earthquake account, including: (a) The
12 amount and type of deposits into the account; (b) the current available
13 fund balance as of the reporting date; and (c) the projected fund
14 balance at the end of the 2009-2011 biennium based on current revenue
15 and expenditure patterns.

16 (3) \$85,000,000 of the general fund--federal appropriation is
17 provided solely for homeland security, subject to the following
18 conditions:

19 (a) Any communications equipment purchased by local jurisdictions
20 or state agencies shall be consistent with standards set by the
21 Washington state interoperability executive committee;

22 (b) The department shall submit a quarterly report to the office of
23 financial management and the legislative fiscal committees detailing
24 the governor's domestic security advisory group recommendations;
25 homeland security revenues and expenditures, including estimates of
26 total federal funding for the state; incremental changes from the
27 previous estimate, planned and actual homeland security expenditures by
28 the state and local governments with this federal funding; and matching
29 or accompanying state or local expenditures; and

30 (c) The department shall submit a report by December 1st of each
31 year to the office of financial management and the legislative fiscal
32 committees detailing homeland security revenues and expenditures for
33 the previous fiscal year by county and legislative district.

34 (4) \$500,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$500,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the military department to
37 contract with the Washington information network 2-1-1 to operate a

1 statewide 2-1-1 system. The department shall provide the entire amount
2 for 2-1-1 and shall use any of the funds for administrative purposes.

3 **Sec. 112.** 2009 c 564 s 153 (uncodified) is amended to read as
4 follows:

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

| | | |
|----|---|------------------------------|
| 6 | General Fund--State Appropriation (FY 2010) | ((\$1,418,000)) |
| 7 | | <u>\$1,371,000</u> |
| 8 | General Fund--State Appropriation (FY 2011) | ((\$1,380,000)) |
| 9 | | <u>\$1,349,000</u> |
| 10 | General Fund--Federal Appropriation | \$1,653,000 |
| 11 | General Fund--Private/Local Appropriation | \$14,000 |
| 12 | TOTAL APPROPRIATION | ((\$4,465,000)) |
| 13 | | <u>\$4,387,000</u> |

14 **Sec. 113.** 2009 c 564 s 154 (uncodified) is amended to read as
15 follows:

16 **FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

| | | |
|----|---|------------------------------|
| 17 | General Fund--State Appropriation (FY 2010) | ((\$1,674,000)) |
| 18 | | <u>\$1,623,000</u> |
| 19 | General Fund--State Appropriation (FY 2011) | \$1,549,000 |
| 20 | TOTAL APPROPRIATION | ((\$3,223,000)) |
| 21 | | <u>\$3,172,000</u> |

(End of part)

PART II
HUMAN SERVICES

Sec. 201. 2009 c 564 s 202 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM

| | |
|--|----------------------------------|
| General Fund--State Appropriation (FY 2010) | ((\$315,241,000)) |
| | <u>\$314,698,000</u> |
| General Fund--State Appropriation (FY 2011) | ((\$317,248,000)) |
| | <u>\$316,181,000</u> |
| General Fund--Federal Appropriation | ((\$496,509,000)) |
| | <u>\$494,889,000</u> |
| General Fund--Private/Local Appropriation | \$828,000 |
| Home Security Fund Appropriation | \$8,389,000 |
| Domestic Violence Prevention Account--State Appropriation | \$1,154,000 |
| Education Legacy Trust Account--State Appropriation | \$725,000 |
| TOTAL APPROPRIATION | ((\$1,140,094,000)) |
| | <u>\$1,136,864,000</u> |

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

(1) \$5,563,000 of the general fund--state appropriation for fiscal year 2010 and \$5,563,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for intensive family preservation services as defined in RCW 74.14C.010 and for evidence-based services that prevent out-of-home placement and reduce length of stay in the child welfare system.

(2) \$993,000 of the general fund--state appropriation for fiscal year 2010 and \$993,000 of the general fund--state appropriation for fiscal year 2011 are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to seventeen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three

1 months of consultation and support to parents accepting placement of
2 children from the facility. The facility may recruit new and current
3 foster and adoptive parents for infants served by the facility. The
4 department shall not require case management as a condition of the
5 contract.

6 (3) \$375,000 of the general fund--state appropriation for fiscal
7 year ((2008)) 2010, \$375,000 of the general fund--state appropriation
8 for fiscal year ((2009)) 2011, and \$322,000 of the general fund--
9 federal appropriation are provided solely for up to three nonfacility-
10 based programs for the training, consultation, support, and recruitment
11 of biological, foster, and adoptive parents of children through age
12 three in need of special care as a result of substance abuse by their
13 mothers, except that each program may serve up to three medically
14 fragile nonsubstance-abuse-affected children. In selecting
15 nonfacility-based programs, preference shall be given to programs whose
16 federal or private funding sources have expired or that have
17 successfully performed under the existing pediatric interim care
18 program.

19 (4) \$2,500,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$2,500,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for secure crisis residential
22 centers. Within appropriated amounts, the department shall collaborate
23 with providers to maintain no less than forty-five beds that are
24 geographically representative of the state. The department shall
25 examine current secure crisis residential staffing requirements,
26 flexible payment options, center specific waivers, and other
27 appropriate methods to accomplish this outcome.

28 (5) A maximum of \$76,831,000 of the general fund--state
29 appropriations and \$56,901,000 of the general fund--federal
30 appropriations for the 2009-11 biennium shall be expended for
31 behavioral rehabilitative services and these amounts are provided
32 solely for this purpose. The department shall work with behavioral
33 rehabilitative service providers to decrease the length of stay through
34 improved emotional, behavioral, or medical outcomes for children in
35 behavioral rehabilitative services in order to achieve the appropriated
36 levels.

37 (a) Contracted providers shall act in good faith and accept the

1 hardest to place children, to the greatest extent possible, in order to
2 improve their emotional, behavioral, or medical conditions.

3 (b) The department and the contracted provider shall mutually agree
4 and establish an exit date for when the child is to exit the behavioral
5 rehabilitative service provider. The department and the contracted
6 provider should mutually agree, to the greatest extent possible, on a
7 viable placement for the child to go to once the child's treatment
8 process has been completed. The child shall exit only when the
9 emotional, behavioral, or medical condition has improved or if the
10 provider has not shown progress toward the outcomes specified in the
11 signed contract at the time of exit. This subsection (b) does not
12 prevent or eliminate the department's responsibility for removing the
13 child from the provider if the child's emotional, behavioral, or
14 medical condition worsens or is threatened.

15 (c) The department is encouraged to use performance-based contracts
16 with incentives directly tied to outcomes described in this section.
17 The contracts should incentivize contracted providers to accept the
18 hardest to place children and incentivize improvement in children's
19 emotional, mental, and medical well-being within the established exit
20 date. The department is further encouraged to increase the use of
21 behavioral rehabilitative service group homes, wrap around services to
22 facilitate and support placement of youth with relatives, and other
23 means to control expenditures.

24 (d) The total foster care per capita amount shall not increase more
25 than four percent in the 2009-11 biennium and shall not include
26 behavioral rehabilitative service.

27 (6) Within amounts provided for the foster care and adoption
28 support programs, the department shall control reimbursement decisions
29 for foster care and adoption support cases such that the aggregate
30 average cost per case for foster care and for adoption support does not
31 exceed the amounts assumed in the projected caseload expenditures.

32 (7) Within amounts appropriated in this section, priority shall be
33 given to proven intervention models, including evidence-based
34 prevention and early intervention programs identified by the Washington
35 state institute for public policy and the department. The department
36 shall include information on the number, type, and outcomes of the
37 evidence-based programs being implemented in its reports on child
38 welfare reform efforts.

1 (8) \$37,000 of the general fund--state appropriation for fiscal
2 year 2010, \$37,000 of the general fund--state appropriation for fiscal
3 year 2011, and \$32,000 of the general fund--federal appropriation are
4 provided solely for the implementation of chapter 465, Laws of 2007
5 (child welfare).

6 (9) \$125,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$125,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for continuum of care services.
9 \$100,000 of this amount is for Casey family partners and \$25,000 of
10 this amount is for volunteers of America crosswalk in fiscal year 2010.
11 \$100,000 of this amount is for Casey family partners and \$25,000 of
12 this amount is for volunteers of America crosswalk in fiscal year 2011.

13 (10) \$616,000 of the general fund--state appropriation for fiscal
14 year 2010, \$616,000 of the general fund--state appropriation for fiscal
15 year 2011, and \$368,000 of the general fund--federal appropriation are
16 provided solely to contract with medical professionals for
17 comprehensive safety assessments of high-risk families. The safety
18 assessments will use validated assessment tools to guide intervention
19 decisions through the identification of additional safety and risk
20 factors. \$800,000 of this amount is for comprehensive safety
21 assessments for families receiving in-home child protective services or
22 family voluntary services. \$800,000 of this amount is for
23 comprehensive safety assessments of families with an infant age birth
24 to fifteen days where the infant was, at birth, diagnosed as substance
25 exposed and the department received an intake referral related to the
26 infant due to the substance exposure.

27 (11) \$7,970,000 of the general fund--state appropriation for fiscal
28 year 2010, \$7,711,000 of the general fund--state appropriation for
29 fiscal year 2011, and \$5,177,000 of the general fund--federal
30 appropriation are provided solely for court-ordered supervised visits
31 between parents and dependent children and for sibling visits. The
32 department shall work collaboratively with the juvenile dependency
33 courts to stay within appropriations without impeding reunification
34 outcomes between parents and dependent children. The department shall
35 report to the legislative fiscal committees quarterly, the number of
36 children in foster care who receive supervised visits, their frequency,
37 length of time of each visit, and whether reunification is attained.

1 (12) \$1,789,000 of the home security fund--state appropriation is
2 provided solely for street youth program services.

3 (13) \$1,584,000 of the general fund--state appropriation for fiscal
4 year 2010, \$1,584,000 of the general fund--state appropriation for
5 fiscal year 2011, and \$1,586,000 of the general fund--federal
6 appropriation are provided solely for the department to recruit foster
7 parents. The recruitment efforts shall include collaborating with
8 community-based organizations and current or former foster parents to
9 recruit foster parents.

10 (14) \$725,000 of the education legacy trust account--state
11 appropriation is provided solely for children's administration to
12 contract with an educational advocacy provider with expertise in foster
13 care educational outreach. Funding is provided solely for contracted
14 education coordinators to assist foster children in succeeding in K-12
15 and higher education systems. Funding shall be prioritized to regions
16 with high numbers of foster care youth and/or regions where backlogs of
17 youth that have formerly requested educational outreach services exist.

18 (15) \$1,300,000 of the home security fund account--state
19 appropriation is provided solely for HOPE beds.

20 (16) \$5,300,000 of the home security fund account--state
21 appropriation is provided solely for the crisis residential centers.

22 (17) The appropriations in this section reflect reductions in the
23 appropriations for the children's administration administrative
24 expenses. It is the intent of the legislature that these reductions
25 shall be achieved, to the greatest extent possible, by reducing those
26 administrative costs that do not affect direct client services or
27 direct service delivery or programs.

28 (18) Within the amounts appropriated in this section, the
29 department shall contract for a pilot project with family and community
30 networks in Whatcom county and up to four additional counties to
31 provide services. The pilot project shall be designed to provide a
32 continuum of services that reduce out-of-home placements and the
33 lengths of stay for children in out-of-home placement. The department
34 and the community networks shall collaboratively select the additional
35 counties for the pilot project and shall collaboratively design the
36 contract. Within the framework of the pilot project, the contract
37 shall seek to maximize federal funds. The pilot project in each county
38 shall include the creation of advisory and management teams which

1 include members from neighborhood-based family advisory committees,
2 residents, parents, youth, providers, and local and regional department
3 staff. The Whatcom county team shall facilitate the development of
4 outcome-based protocols and policies for the pilot project and develop
5 a structure to oversee, monitor, and evaluate the results of the pilot
6 projects. The department shall report the costs and savings of the
7 pilot project to the appropriate committees of the legislature by
8 November 1 of each year.

9 (19) \$157,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$157,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the department to contract
12 with a nonprofit entity for a reunification pilot project in Whatcom
13 and Skagit counties. The contract for the reunification pilot project
14 shall include a rate of \$46.16 per hour for evidence-based
15 interventions, in combination with supervised visits, to provide 3,564
16 hours of services to reduce the length of stay for children in the
17 child welfare system. The contract shall also include evidence-based
18 intensive parenting skills building services and family support case
19 management services for 38 families participating in the reunification
20 pilot project. The contract shall include the flexibility for the
21 nonprofit entity to subcontract with trained providers.

22 (20) \$303,000 of the general fund--state appropriation for fiscal
23 year 2010, \$418,000 of the general fund--state appropriation for fiscal
24 year 2011, and \$257,000 of the general fund--federal appropriation are
25 provided solely to implement Engrossed Substitute House Bill No. 1961
26 (increasing adoptions act). If the bill is not enacted by June 30,
27 2009, the amounts provided in this subsection shall lapse.

28 (21) \$100,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$100,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for the department to contract
31 with an agency that is working in partnership with, and has been
32 evaluated by, the University of Washington school of social work to
33 implement promising practice constellation hub models of foster care
34 support.

35 (22) The legislature intends for the department to reduce the time
36 a child remains in the child welfare system. The department shall
37 establish a measurable goal and report progress toward meeting that
38 goal to the legislature by January 15 of each fiscal year of the 2009-

1 11 fiscal biennium. To the extent that actual caseloads exceed those
2 assumed in this section, it is the intent of the legislature to address
3 those issues in a manner similar to all other caseload programs.

4 **Sec. 202.** 2009 c 564 s 203 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
7 **REHABILITATION PROGRAM**

| | | |
|----|---|--------------------------------|
| 8 | General Fund--State Appropriation (FY 2010) | ((\$104,870,000)) |
| 9 | | <u>\$104,185,000</u> |
| 10 | General Fund--State Appropriation (FY 2011) | ((\$93,081,000)) |
| 11 | | <u>\$92,392,000</u> |
| 12 | General Fund--Federal Appropriation | \$6,565,000 |
| 13 | General Fund--Private/Local Appropriation | \$1,900,000 |
| 14 | Washington Auto Theft Prevention Authority Account-- | |
| 15 | State Appropriation | \$3,896,000 |
| 16 | Juvenile Accountability Incentive Account--Federal | |
| 17 | Appropriation | \$2,801,000 |
| 18 | TOTAL APPROPRIATION | ((\$213,113,000)) |
| 19 | | <u>\$211,739,000</u> |

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

22 (1) \$353,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$353,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for deposit in the county criminal
25 justice assistance account for costs to the criminal justice system
26 associated with the implementation of chapter 338, Laws of 1997
27 (juvenile code revisions). The amounts provided in this subsection are
28 intended to provide funding for county adult court costs associated
29 with the implementation of chapter 338, Laws of 1997 and shall be
30 distributed in accordance with RCW 82.14.310.

31 (2) \$3,578,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$3,578,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for the implementation of chapter
34 338, Laws of 1997 (juvenile code revisions). The amounts provided in
35 this subsection are intended to provide funding for county impacts
36 associated with the implementation of chapter 338, Laws of 1997 and

1 shall be distributed to counties as prescribed in the current
2 consolidated juvenile services (CJS) formula.

3 (3) \$3,716,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$3,716,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely to implement community juvenile
6 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
7 code revisions). Funds provided in this subsection may be used solely
8 for community juvenile accountability grants, administration of the
9 grants, and evaluations of programs funded by the grants.

10 (4) \$1,506,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$1,506,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely to implement alcohol and substance
13 abuse treatment programs for locally committed offenders. The juvenile
14 rehabilitation administration shall award these moneys on a competitive
15 basis to counties that submitted a plan for the provision of services
16 approved by the division of alcohol and substance abuse. The juvenile
17 rehabilitation administration shall develop criteria for evaluation of
18 plans submitted and a timeline for awarding funding and shall assist
19 counties in creating and submitting plans for evaluation.

20 (5) \$3,066,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$3,066,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for grants to county juvenile
23 courts for the following programs identified by the Washington state
24 institute for public policy (institute) in its October 2006 report:
25 "Evidence-Based Public Policy Options to Reduce Future Prison
26 Construction, Criminal Justice Costs and Crime Rates": Functional
27 family therapy, multi-systemic therapy, aggression replacement training
28 and interagency coordination programs, or other programs with a
29 positive benefit-cost finding in the institute's report. County
30 juvenile courts shall apply to the juvenile rehabilitation
31 administration for funding for program-specific participation and the
32 administration shall provide grants to the courts consistent with the
33 per-participant treatment costs identified by the institute.

34 (6) \$1,287,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$1,287,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for expansion of the following
37 treatments and therapies in juvenile rehabilitation administration
38 programs identified by the Washington state institute for public policy

1 in its October 2006 report: "Evidence-Based Public Policy Options to
2 Reduce Future Prison Construction, Criminal Justice Costs and Crime
3 Rates": Multidimensional treatment foster care, family integrated
4 transitions, and aggression replacement training. The administration
5 may concentrate delivery of these treatments and therapies at a limited
6 number of programs to deliver the treatments in a cost-effective
7 manner.

8 (7)(a) For the fiscal year ending June 30, 2010, the juvenile
9 rehabilitation administration shall administer a block grant, rather
10 than categorical funding, of consolidated juvenile service funds,
11 community juvenile accountability act grants, the chemical dependency
12 disposition alternative funds, the special sex offender disposition
13 alternative funds, the mental health disposition alternative,
14 sentencing disposition alternative, and evidence-based program
15 expansion grants to juvenile courts for the purpose of serving youth
16 adjudicated in the juvenile justice system. Evidence-based programs,
17 based on the criteria established by the Washington state institute for
18 public policy, and disposition alternatives will be funding priorities.
19 Funds may be used for promising practices when approved by juvenile
20 rehabilitation administration, based on criteria established in
21 consultation with Washington state institute for public policy and the
22 juvenile courts.

23 By September 1, 2009, a committee with four members, in
24 consultation with Washington state institute for public policy, shall
25 develop a funding formula that takes into account the juvenile courts
26 average daily population of program eligible youth in conjunction with
27 the number of youth served in each approved evidence-based program or
28 disposition alternative. The committee shall have one representative
29 from the juvenile rehabilitation administration, one representative
30 from the office of financial management, one representative from the
31 office of the administrator of the courts, and one representative from
32 the juvenile courts. Decision making will be by majority rule.

33 By September 1, 2010, the Washington state institute for public
34 policy shall provide a report to the office of financial management and
35 the legislature on the administration of the block grant authorized in
36 this subsection. The report shall include the criteria used for
37 allocating the funding as a block grant and the participation targets
38 and actual participation in the programs subject to the block grant.

1 (b) By December 1, 2009, the committee established in (a) of this
2 subsection, in consultation with Washington state institute for public
3 policy, shall propose to the office of financial management and the
4 legislature changes in the process of funding and managing, including
5 accountability and information collection and dissemination, grants to
6 juvenile courts for serving youth adjudicated in the juvenile court
7 system use in the fiscal year ending June 30, 2011. The proposal shall
8 include, but is not limited to: A process of making a block grant of
9 funds consistent with (a) of this subsection; a program of data
10 collection and measurement criteria for receiving the funds which will
11 include targets of the number of youth served in identified evidence-
12 based programs and disposition alternatives in which the juvenile
13 courts and office of the administrator of the courts will have
14 responsibility for collecting and distributing information and
15 providing access to the data systems to the juvenile rehabilitation
16 administration and the Washington state institute for public policy
17 related to program and outcome data; and necessary changes to the
18 Washington administrative code.

19 (c) Within the funds provided for criminal justice analysis in
20 section 610(4) of this act, the Washington state institute for public
21 policy shall conduct an analysis of the costs per participant of
22 evidence-based programs by the juvenile courts and by December 1, 2009,
23 shall report the results of this analysis to the juvenile
24 rehabilitation administration, the juvenile courts, office of the
25 administrator of the courts, the office of financial management, and
26 the fiscal committees of the legislature.

27 (8) \$3,700,000 of the Washington auto theft prevention authority
28 account--state appropriation is provided solely for competitive grants
29 to community-based organizations to provide at-risk youth intervention
30 services, including but not limited to, case management, employment
31 services, educational services, and street outreach intervention
32 programs. Projects funded should focus on preventing, intervening, and
33 suppressing behavioral problems and violence while linking at-risk
34 youth to pro-social activities. The department may not expend more
35 than \$1,850,000 per fiscal year. The costs of administration must not
36 exceed four percent of appropriated funding for each grant recipient.
37 Each entity receiving funds must report to the juvenile rehabilitation

1 administration on the number and types of youth served, the services
2 provided, and the impact of those services upon the youth and the
3 community.

4 **Sec. 203.** 2009 c 564 s 204 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
7 **PROGRAM**

8 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

| | |
|--|-----------------|
| 9 General Fund--State Appropriation (FY 2010) | \$266,677,000 |
| 10 General Fund--State Appropriation (FY 2011) | \$296,619,000 |
| 11 General Fund--Federal Appropriation | \$463,180,000 |
| 12 General Fund--Private/Local Appropriation | \$14,868,000 |
| 13 TOTAL APPROPRIATION | \$1,041,344,000 |

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

16 (a) \$113,689,000 of the general fund--state appropriation for
17 fiscal year 2010 and \$113,689,000 of the general fund--state
18 appropriation for fiscal year 2011 are provided solely for persons and
19 services not covered by the medicaid program. This is a reduction of
20 \$11,606,000 each fiscal year from the nonmedicaid funding that was
21 allocated for expenditure by regional support networks during fiscal
22 year 2009 prior to supplemental budget reductions. This \$11,606,000
23 reduction shall be distributed among regional support networks
24 proportional to each network's share of the total state population. To
25 the extent possible, levels of regional support network spending shall
26 be maintained in the following priority order: (i) Crisis and
27 commitment services; (ii) community inpatient services; and (iii)
28 residential care services, including personal care and emergency
29 housing assistance.

30 (b) \$16,900,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$16,900,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for the department and regional
33 support networks to contract for implementation of high-intensity
34 program for active community treatment (PACT) teams, and other proven
35 program approaches that the department concurs will enable the regional
36 support network to achieve significant reductions in the number of beds

1 the regional support network would otherwise need to use at the state
2 hospitals.

3 (c) The number of nonforensic beds allocated for use by regional
4 support networks at eastern state hospital shall be 192 per day. The
5 number of nonforensic beds allocated for use by regional support
6 networks at western state hospital shall be 617 per day during the
7 first quarter of fiscal year 2010, and 587 per day thereafter. Beds in
8 the program for adaptive living skills (PALS) are not included in the
9 preceding bed allocations. The department shall separately charge
10 regional support networks for persons served in the PALS program.

11 (d) From the general fund--state appropriations in this subsection,
12 the secretary of social and health services shall assure that regional
13 support networks reimburse the aging and disability services
14 administration for the general fund--state cost of medicaid personal
15 care services that enrolled regional support network consumers use
16 because of their psychiatric disability.

17 (e) \$4,582,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$4,582,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for mental health services for
20 mentally ill offenders while confined in a county or city jail and for
21 facilitating access to programs that offer mental health services upon
22 release from confinement.

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

26 (g) \$750,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$750,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely to continue performance-based
29 incentive contracts to provide appropriate community support services
30 for individuals with severe mental illness who were discharged from the
31 state hospitals as part of the expanding community services initiative.
32 These funds will be used to enhance community residential and support
33 services provided by regional support networks through other state and
34 federal funding.

35 (h) \$1,500,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$1,500,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for the Spokane regional support

1 network to implement services to reduce utilization and the census at
2 eastern state hospital. Such services shall include:

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

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

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

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

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

17 (i) The department shall return to the Spokane regional support
18 network fifty percent of the amounts assessed against the network
19 during the last six months of calendar year 2009 for state hospital
20 utilization in excess of its contractual limit. The regional support
21 network shall use these funds for operation during its initial months
22 of a new sixteen-bed evaluation and treatment facility that will enable
23 the network to reduce its use of the state hospital, and for diversion
24 and community support services for persons with dementia who would
25 likely otherwise require care at the state hospital.

26 (j) The department is directed to identify and implement program
27 efficiencies and benefit changes in its delivery of medicaid managed-
28 care services that are sufficient to operate within the state and
29 federal appropriations in this section. Such actions may include but
30 are not limited to methods such as adjusting the care access standards;
31 improved utilization management of ongoing, recurring, and high-
32 intensity services; and increased uniformity in provider payment rates.
33 The department shall ensure that the capitation rate adjustments
34 necessary to accomplish these efficiencies and changes are distributed
35 uniformly and equitably across all regional support networks statewide.
36 The department is directed to report to the relevant legislative fiscal
37 and policy committees at least thirty days prior to implementing rate
38 adjustments reflecting these changes.

1 (k) In developing the new medicaid managed care rates under which
2 the public mental health managed care system will operate during the
3 five years beginning in fiscal year 2011, the department should seek to
4 estimate the reasonable and necessary cost of efficiently and
5 effectively providing a comparable set of medically necessary mental
6 health benefits to persons of different acuity levels regardless of
7 where in the state they live. Actual prior period spending in a
8 regional administrative area shall not be a key determinant of future
9 payment rates. The department shall report to the office of financial
10 management and to the relevant fiscal and policy committees of the
11 legislature on its proposed new waiver and mental health managed care
12 rate-setting approach by October 1, 2009, and again at least sixty days
13 prior to implementation of new capitation rates.

14 (l) \$1,529,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$1,529,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely to reimburse Pierce and Spokane
17 counties for the cost of conducting 180-day commitment hearings at the
18 state psychiatric hospitals.

19 (m) The legislature intends and expects that regional support
20 networks and contracted community mental health agencies shall make all
21 possible efforts to, at a minimum, maintain current compensation levels
22 of direct care staff. Such efforts shall include, but not be limited
23 to, identifying local funding that can preserve client services and
24 staff compensation, achieving administrative reductions at the regional
25 support network level, and engaging stakeholders on cost-savings ideas
26 that maintain client services and staff compensation. For purposes of
27 this section, "direct care staff" means persons employed by community
28 mental health agencies whose primary responsibility is providing direct
29 treatment and support to people with mental illness, or whose primary
30 responsibility is providing direct support to such staff in areas such
31 as client scheduling, client intake, client reception, client records-
32 keeping, and facilities maintenance.

33 (2) INSTITUTIONAL SERVICES

| | | |
|----|---|--------------------------------|
| 34 | General Fund--State Appropriation (FY 2010) | ((\$120,679,000)) |
| 35 | | <u>\$120,637,000</u> |
| 36 | General Fund--State Appropriation (FY 2011) | ((\$125,017,000)) |
| 37 | | <u>\$124,995,000</u> |
| 38 | General Fund--Federal Appropriation | ((\$151,300,000)) |

| | | |
|---|---|--------------------------------|
| 1 | | <u>\$151,160,000</u> |
| 2 | General Fund--Private/Local Appropriation | ((\$65,870,000)) |
| 3 | | <u>\$65,868,000</u> |
| 4 | TOTAL APPROPRIATION | ((\$462,866,000)) |
| 5 | | <u>\$462,660,000</u> |

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

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

11 (b) \$231,000 of the general fund--state appropriation for fiscal
12 year 2008 and \$231,000 of the general fund--state appropriation for
13 fiscal year 2009 are provided solely for a community partnership
14 between western state hospital and the city of Lakewood to support
15 community policing efforts in the Lakewood community surrounding
16 western state hospital. The amounts provided in this subsection (2)(b)
17 are for the salaries, benefits, supplies, and equipment for one full-
18 time investigator, one full-time police officer, and one full-time
19 community service officer at the city of Lakewood.

20 (c) \$45,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$45,000 of the general fund--state appropriation for
22 fiscal year 2011 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 (3) SPECIAL PROJECTS

| | | |
|----|---|-------------|
| 26 | General Fund--State Appropriation (FY 2010) | \$1,819,000 |
| 27 | General Fund--State Appropriation (FY 2011) | \$1,812,000 |
| 28 | General Fund--Federal Appropriation | \$2,142,000 |
| 29 | TOTAL APPROPRIATION | \$5,773,000 |

30 The appropriations in this subsection are subject to the following
31 conditions and limitations: \$1,511,000 of the general fund--state
32 appropriation for fiscal year 2010 and \$1,511,000 of the general fund--
33 state appropriation for fiscal year 2011 are provided solely for
34 children's evidence based mental health services. Funding is
35 sufficient to continue serving children at the same levels as fiscal
36 year 2009.

37 (4) PROGRAM SUPPORT

| | | |
|---|---|-------------------------------|
| 1 | General Fund--State Appropriation (FY 2010) | ((\$4,123,000)) |
| 2 | | <u>\$4,077,000</u> |
| 3 | General Fund--State Appropriation (FY 2011) | ((\$4,155,000)) |
| 4 | | <u>\$4,094,000</u> |
| 5 | General Fund--Federal Appropriation | ((\$7,330,000)) |
| 6 | | <u>\$7,227,000</u> |
| 7 | TOTAL APPROPRIATION | ((\$15,608,000)) |
| 8 | | <u>\$15,398,000</u> |

9 ((~~b~~)) The department is authorized and encouraged to continue its
10 contract with the Washington state institute for public policy to
11 provide a longitudinal analysis of long-term mental health outcomes as
12 directed in chapter 334, Laws of 2001 (mental health performance
13 audit); to build upon the evaluation of the impacts of chapter 214,
14 Laws of 1999 (mentally ill offenders); and to assess program outcomes
15 and cost effectiveness of the children's mental health pilot projects
16 as required by chapter 372, Laws of 2006.

17 **Sec. 204.** 2009 c 564 s 205 (uncodified) is amended to read as
18 follows:

19 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
20 **DISABILITIES PROGRAM**

21 (1) COMMUNITY SERVICES

| | | |
|----|---|----------------------------------|
| 22 | General Fund--State Appropriation (FY 2010) | ((\$313,050,000)) |
| 23 | | <u>\$311,589,000</u> |
| 24 | General Fund--State Appropriation (FY 2011) | ((\$368,549,000)) |
| 25 | | <u>\$366,489,000</u> |
| 26 | General Fund--Federal Appropriation | ((\$851,610,000)) |
| 27 | | <u>\$849,263,000</u> |
| 28 | TOTAL APPROPRIATION | ((\$1,533,209,000)) |
| 29 | | <u>\$1,527,341,000</u> |

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

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

36 (b) Amounts appropriated in this section reflect a reduction to
37 funds appropriated for in-home care. The department shall reduce the

1 number of in-home hours authorized. The reduction shall be scaled
2 based on the acuity level of care recipients. The largest hour
3 reductions shall be to lower acuity patients and the smallest hour
4 reductions shall be to higher acuity patients. In doing so, the
5 department shall comply with all maintenance of effort requirements
6 contained in the American reinvestment and recovery act.

7 (c) Amounts appropriated in this section are sufficient to develop
8 and implement the use of a consistent, statewide outcome-based vendor
9 contract for employment and day services by April 1, 2011. The rates
10 paid to vendors under this contract shall also be made consistent. In
11 its description of activities the agency shall include activity
12 listings and dollars appropriated for: Employment services, day
13 services, child development services and county administration of
14 services to the developmentally disabled. The department shall begin
15 reporting to the office of financial management on these activities
16 beginning in fiscal year 2010.

17 (d) \$5,593,000 of the general fund--state appropriation for fiscal
18 year 2010, \$4,002,000 of the general fund--state appropriation for
19 fiscal year 2011, and \$14,701,000 of the general fund--federal
20 appropriation are provided solely for community residential and support
21 services. Funding in this subsection shall be prioritized for (i)
22 residents of residential habilitation centers who are able to be
23 adequately cared for in community settings and who choose to live in
24 those community settings; (ii) clients without residential services who
25 are at immediate risk of institutionalization or in crisis; (iii)
26 children who are at risk of institutionalization or who are aging out
27 of other state services; and (iv) current home and community-based
28 waiver program clients who have been assessed as having an immediate
29 need for increased services. First priority shall be given to children
30 who are at risk of institutionalization. The department shall ensure
31 that the average cost per day for all program services other than
32 start-up costs shall not exceed \$300. In order to maximize the number
33 of clients served and ensure the cost-effectiveness of the waiver
34 programs, the department will strive to limit new client placement
35 expenditures to 90 percent of the budgeted daily rate. If this can be
36 accomplished, additional clients may be served with excess funds,
37 provided the total projected carry-forward expenditures do not exceed
38 the amounts estimated. The department shall electronically report to

1 the appropriate committees of the legislature, within 45 days following
2 each fiscal year quarter, the number of persons served with these
3 additional community services, where they were residing, what kinds of
4 services they were receiving prior to placement, and the actual
5 expenditures for all community services to support these clients.

6 (e)(i) \$493,000 of the general fund--state appropriation for fiscal
7 year 2010, \$1,463,000 of the general fund--state appropriation for
8 fiscal year 2011, and \$2,741,000 of the general fund--federal
9 appropriation are provided solely for community services for persons
10 with developmental disabilities who also have community protection
11 issues. Funding in this subsection shall be prioritized for (A)
12 clients being diverted or discharged from the state psychiatric
13 hospitals; (B) clients participating in the dangerous mentally ill
14 offender program; (C) clients participating in the community protection
15 program; and (D) mental health crisis diversion outplacements. The
16 department shall ensure that the average cost per day for all program
17 services other than start-up costs shall not exceed \$349 per day in
18 fiscal year 2010 and \$356 per day in fiscal year 2011. In order to
19 maximize the number of clients served and ensure the cost-effectiveness
20 of the waiver programs, the department will strive to limit new client
21 placement expenditures to 90 percent of the budgeted daily rate. If
22 this can be accomplished, additional clients may be served with excess
23 funds if the total projected carry-forward expenditures do not exceed
24 the amounts estimated.

25 (ii) The department shall electronically report to the appropriate
26 committees of the legislature, within 45 days following each fiscal
27 year quarter, the number of persons served with these additional
28 community services, where they were residing, what kinds of services
29 they were receiving prior to placement, and the actual expenditures for
30 all community services to support these clients.

31 (f) \$302,000 of the general fund--state appropriation for fiscal
32 year 2010, \$831,000 of the general fund--state appropriation for fiscal
33 year 2011, and \$1,592,000 of the general fund--federal appropriation
34 are provided solely for health care benefits pursuant to a collective
35 bargaining agreement negotiated with the exclusive bargaining
36 representative of individual providers established under RCW
37 74.39A.270.

1 (g)(i) \$682,000 of the general fund--state appropriation for fiscal
2 year 2010, \$1,651,000 of the general fund--state appropriation for
3 fiscal year 2011, and \$1,678,000 of the general fund--federal
4 appropriation are provided solely for the state's contribution to the
5 training partnership, as provided in RCW 74.39A.360, pursuant to a
6 collective bargaining agreement negotiated with the exclusive
7 bargaining representative of individual providers established under RCW
8 74.39A.270.

9 (ii) The federal portion of the amounts in this subsection (g) is
10 contingent upon federal approval of participation in contributions to
11 the trust and shall remain unallotted and placed in reserve status
12 until the office of financial management and the department of social
13 and health services receive federal approval.

14 (iii) Expenditures for the purposes specified in this subsection
15 (g) shall not exceed the amounts provided in this subsection.

16 (~~(i)~~) (h) Within the amounts appropriated in this subsection (1),
17 the department shall implement all necessary rules to facilitate the
18 transfer to a department home and community-based services (HCBS)
19 waiver of all eligible individuals who (i) currently receive services
20 under the existing state-only employment and day program or the
21 existing state-only residential program, and (ii) otherwise meet the
22 waiver eligibility requirements. The amounts appropriated are
23 sufficient to ensure that all individuals currently receiving services
24 under the state-only employment and day and state-only residential
25 programs who are not transferred to a department HCBS waiver will
26 continue to receive services.

27 (~~(j)~~) (i) Adult day health services shall only be authorized for
28 in-home clients.

29 (~~(k)~~) (j) In addition to other reductions, the appropriations in
30 this subsection reflect reductions targeted specifically to state
31 government administrative costs. These administrative reductions shall
32 be achieved, to the greatest extent possible, by reducing those
33 administrative costs that do not affect direct client services or
34 direct service delivery or programs.

35 (~~(l)~~) (k) The department shall not pay a home care agency
36 licensed under chapter 70.127 RCW for personal care services provided
37 by a family member, pursuant to Substitute House Bill No. 2361
38 (modifying state payments for in-home care).

| | | |
|---|---|---------------|
| 1 | General Fund--State Appropriation (FY 2011) | \$74,185,000 |
| 2 | General Fund--Federal Appropriation | \$202,160,000 |
| 3 | General Fund--Private/Local Appropriation | \$22,441,000 |
| 4 | TOTAL APPROPRIATION | \$360,398,000 |

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

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

11 (b) The developmental disabilities program is authorized to use
12 funds appropriated in this subsection to purchase goods and supplies
13 through direct contracting with vendors when the program determines it
14 is cost-effective to do so.

15 (c) \$721,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$721,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the department to fulfill its
18 contracts with the school districts under chapter 28A.190 RCW to
19 provide transportation, building space, and other support services as
20 are reasonably necessary to support the educational programs of
21 students living in residential habilitation centers.

22 (d) In addition to other reductions, the appropriations in this
23 subsection reflect reductions targeted specifically to state government
24 administrative costs. These administrative reductions shall be
25 achieved, to the greatest extent possible, by reducing those
26 administrative costs that do not affect direct client services or
27 direct service delivery or programs.

28 (3) PROGRAM SUPPORT

| | | |
|----|---|--------------------------|
| 29 | General Fund--State Appropriation (FY 2010) | (\$1,428,000) |
| 30 | | <u>\$1,420,000</u> |
| 31 | General Fund--State Appropriation (FY 2011) | (\$1,388,000) |
| 32 | | <u>\$1,372,000</u> |
| 33 | General Fund--Federal Appropriation | (\$1,372,000) |
| 34 | | <u>\$1,360,000</u> |
| 35 | TOTAL APPROPRIATION | (\$4,188,000) |
| 36 | | <u>\$4,152,000</u> |

1 The appropriations in this subsection are subject to the following
2 conditions and limitations: In addition to other reductions, the
3 appropriations in this subsection reflect reductions targeted
4 specifically to state government administrative costs. These
5 administrative reductions shall be achieved, to the greatest extent
6 possible, by reducing those administrative costs that do not affect
7 direct client services or direct service delivery or programs.

8 (4) SPECIAL PROJECTS

| | | | |
|----|---|-----------|--------------|
| 9 | General Fund--State Appropriation (FY 2010) | | \$15,000 |
| 10 | General Fund--State Appropriation (FY 2011) | | \$15,000 |
| 11 | General Fund--Federal Appropriation | | \$21,066,000 |
| 12 | TOTAL APPROPRIATION | | \$21,096,000 |

13 The appropriations in this subsection are subject to the following
14 conditions and limitations: The appropriations in this subsection are
15 available solely for the infant toddler early intervention program.

16 **Sec. 205.** 2009 c 564 s 206 (uncodified) is amended to read as
17 follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
19 **SERVICES PROGRAM**

| | | | |
|----|---|-----------|----------------------------------|
| 20 | General Fund--State Appropriation (FY 2010) | | ((\$585,667,000)) |
| 21 | | | <u>\$584,741,000</u> |
| 22 | General Fund--State Appropriation (FY 2011) | | ((\$698,622,000)) |
| 23 | | | <u>\$693,325,000</u> |
| 24 | General Fund--Federal Appropriation | | ((\$1,814,099,000)) |
| 25 | | | <u>\$1,805,958,000</u> |
| 26 | General Fund--Private/Local Appropriation | | ((\$20,373,000)) |
| 27 | | | <u>\$19,973,000</u> |
| 28 | Traumatic Brain Injury Account--State Appropriation | | \$1,816,000 |
| 29 | TOTAL APPROPRIATION | | ((\$3,120,577,000)) |
| 30 | | | <u>\$3,105,813,000</u> |

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

33 (1) For purposes of implementing chapter 74.46 RCW, the weighted
34 average nursing facility payment rate shall not exceed \$156.37 for
35 fiscal year 2010 and shall not exceed \$158.74 for fiscal year 2011,
36 including the rate add-on described in subsection (12) of this section.

1 There will be no adjustments for economic trends and conditions in
2 fiscal years 2010 and 2011. The economic trends and conditions factor
3 or factors defined in the biennial appropriations act shall not be
4 compounded with the economic trends and conditions factor or factors
5 defined in any other biennial appropriations acts before applying it to
6 the component rate allocations established in accordance with chapter
7 74.46 RCW. When no economic trends and conditions factor for either
8 fiscal year is defined in a biennial appropriations act, no economic
9 trends and conditions factor or factors defined in any earlier biennial
10 appropriations act shall be applied solely or compounded to the
11 component rate allocations established in accordance with chapter 74.46
12 RCW.

13 (2) In accordance with chapter 74.46 RCW, the department shall
14 issue no additional certificates of capital authorization for fiscal
15 year 2010 and no new certificates of capital authorization for fiscal
16 year 2011.

17 (3) The long-term care program may develop and pay enhanced rates
18 for exceptional care to nursing homes for persons with traumatic brain
19 injuries who are transitioning from hospital care. The cost per
20 patient day for caring for these clients in a nursing home setting may
21 be equal to or less than the cost of caring for these clients in a
22 hospital setting.

23 (4) Within the appropriations of this section, the department shall
24 reduce all seventeen payment levels of the seventeen-level payment
25 system from the fiscal year 2009 levels for boarding homes, boarding
26 homes contracted as assisted living, and adult family homes. Excluded
27 from the reductions are exceptional care rate add-ons. The long-term
28 care program may develop add-ons to pay exceptional care rates to adult
29 family homes and boarding homes with specialty contracts to provide
30 support for the following specifically eligible clients:

31 (a) Persons with AIDS or HIV-related diseases who might otherwise
32 require nursing home or hospital care;

33 (b) Persons with Alzheimer's disease and related dementia who might
34 otherwise require nursing home care; and

35 (c) Persons with co-occurring mental illness and long-term care
36 needs who are eligible for expanded community services and who might
37 otherwise require state and local psychiatric hospital care.

1 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,
2 dementia specialty care, and expanded community services may be
3 standardized within each program.

4 (5) Amounts appropriated in this section reflect a reduction to
5 funds appropriated for in-home care. The department shall reduce the
6 number of in-home hours authorized. The reduction shall be scaled
7 based on the acuity level of care recipients. The largest hour
8 reductions shall be to lower acuity patients and the smallest hour
9 reductions shall be to higher acuity patients. In doing so, the
10 department shall comply with all maintenance of effort requirements
11 contained in the American reinvestment and recovery act.

12 (6) \$536,000 of the general fund--state appropriation for fiscal
13 year 2010, \$1,477,000 of the general fund--state appropriation for
14 fiscal year 2011, and \$2,830,000 of the general fund--federal
15 appropriation are provided solely for health care benefits pursuant to
16 a collective bargaining agreement negotiated with the exclusive
17 bargaining representative of individual providers established under RCW
18 74.39A.270.

19 (7)(a) \$1,212,000 of the general fund--state appropriation for
20 fiscal year 2010, \$2,934,000 of the general fund--state appropriation
21 for fiscal year 2011, and \$2,982,000 of the general fund--federal
22 appropriation are provided solely for the state's contribution to the
23 training partnership, as provided in RCW 74.39A.360, pursuant to a
24 collective bargaining agreement negotiated with the exclusive
25 bargaining representative of individual providers established under RCW
26 74.39A.270.

27 (b) \$330,000 of the general fund--state appropriation for fiscal
28 year 2010, \$660,000 of the general fund--state appropriation for fiscal
29 year 2011, and \$810,000 of the general fund--federal appropriation are
30 provided solely for transfer from the department to the training
31 partnership, as provided in RCW 74.39A.360, for infrastructure and
32 instructional costs associated with training of individual providers,
33 pursuant to a collective bargaining agreement negotiated with the
34 exclusive bargaining representative of individual providers established
35 under RCW 74.39A.270.

36 (c) The federal portion of the amounts in this subsection is
37 contingent upon federal approval of participation in contributions to

1 the trust and shall remain unallotted and placed in reserve status
2 until the office of financial management and the department of social
3 and health services receive federal approval.

4 (d) Expenditures for the purposes specified in this subsection
5 shall not exceed the amounts provided in this subsection.

6 (8) Within the amounts appropriated in this section, the department
7 may expand the new freedom waiver program to accommodate new waiver
8 recipients throughout the state. As possible, and in compliance with
9 current state and federal laws, the department shall allow current
10 waiver recipients to transfer to the new freedom waiver.

11 (9) Individuals receiving services as supplemental security income
12 (SSI) state supplemental payments shall not become eligible for medical
13 assistance under RCW 74.09.510 due solely to the receipt of SSI state
14 supplemental payments.

15 (10) Adult day health services shall only be authorized for in-home
16 clients.

17 (11) \$3,955,000 of the general fund--state appropriation for fiscal
18 year 2010, \$4,239,000 of the general fund--state appropriation for
19 fiscal year 2011, and \$10,190,000 of the general fund--federal
20 appropriation are provided solely for the continued operation of
21 community residential and support services for persons who are older
22 adults or who have co-occurring medical and behavioral disorders and
23 who have been discharged or diverted from a state psychiatric hospital.
24 These funds shall be used to serve individuals whose treatment needs
25 constitute substantial barriers to community placement, who no longer
26 require active psychiatric treatment at an inpatient hospital level of
27 care, and who no longer meet the criteria for inpatient involuntary
28 commitment. Coordination of these services will be done in partnership
29 between the mental health program and the aging and disability services
30 administration.

31 (12) Within the funds provided, the department shall continue to
32 provide an add-on per medicaid resident day per facility not to exceed
33 \$1.57. The add-on shall be used to increase wages, benefits, and/or
34 staffing levels for certified nurse aides; or to increase wages and/or
35 benefits for dietary aides, housekeepers, laundry aides, or any other
36 category of worker whose statewide average dollars-per-hour wage was
37 less than \$15 in calendar year 2008, according to cost report data.
38 The add-on may also be used to address resulting wage compression for

1 related job classes immediately affected by wage increases to low-wage
2 workers. The department shall continue reporting requirements and a
3 settlement process to ensure that the funds are spent according to this
4 subsection. The department shall adopt rules to implement the terms of
5 this subsection.

6 (13) \$1,840,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$1,877,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for operation of the volunteer
9 chore services program.

10 (14) In accordance with chapter 74.39 RCW, the department may
11 implement two medicaid waiver programs for persons who do not qualify
12 for such services as categorically needy, subject to federal approval
13 and the following conditions and limitations:

14 (a) One waiver program shall include coverage of care in community
15 residential facilities. Enrollment in the waiver shall not exceed 600
16 persons at any time.

17 (b) The second waiver program shall include coverage of in-home
18 care. Enrollment in this second waiver shall not exceed 200 persons at
19 any time.

20 (c) The department shall identify the number of medically needy
21 nursing home residents, and enrollment and expenditures on each of the
22 two medically needy waivers, on monthly management reports.

23 (d) If it is necessary to establish a waiting list for either
24 waiver because the budgeted number of enrollment opportunities has been
25 reached, the department shall track how the long-term care needs of
26 applicants assigned to the waiting list are met.

27 (15) The department shall establish waiting lists to the extent
28 necessary to assure that annual expenditures on the community options
29 program entry systems (COPES) program do not exceed appropriated
30 levels. In establishing and managing any such waiting list, the
31 department shall assure priority access to persons with the greatest
32 unmet needs, as determined by department assessment processes.

33 (16) The department shall contract for housing with service models,
34 such as cluster care, to create efficiencies in service delivery and
35 responsiveness to unscheduled personal care needs by clustering hours
36 for clients that live in close proximity to each other.

37 (17) The department shall not pay a home care agency licensed under

1 chapter 70.127 RCW for personal care services provided by a family
2 member, pursuant to Substitute House Bill No. 2361 (modifying state
3 payments for in-home care).

4 (18) \$204,000 of the general fund--state appropriation for fiscal
5 year 2010, \$1,099,000 of the general fund--state appropriation for
6 fiscal year 2011, and \$1,697,000 of the general fund--federal
7 appropriation are provided solely to implement Engrossed House Bill No.
8 2194 (extraordinary medical placement for offenders). The department
9 shall work in partnership with the department of corrections to
10 identify services and find placements for offenders who are released
11 through the extraordinary medical placement program. The department
12 shall collaborate with the department of corrections to identify and
13 track cost savings to the department of corrections, including medical
14 cost savings and to identify and track expenditures incurred by the
15 aging and disability services program for community services and by the
16 medical assistance program for medical expenses. A joint report
17 regarding the identified savings and expenditures shall be provided to
18 the office of financial management and the appropriate fiscal
19 committees of the legislature by November 30, 2010. If this bill is
20 not enacted by June 30, 2009, the amounts provided in this subsection
21 shall lapse.

22 (19) Sufficient funding is provided in this section for the
23 department to implement Engrossed Second Substitute House Bill No. 1935
24 (adult family homes). During the 2009-11 biennium, the initial
25 licensing fee for an adult family home shall be set at \$900.00. During
26 the 2009-11 biennium, the annual licensing renewal fee shall be set at
27 \$100.00.

28 **Sec. 206.** 2009 c 564 s 207 (uncodified) is amended to read as
29 follows:

30 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES**
31 **PROGRAM**

| | | |
|----|---|----------------------------------|
| 32 | General Fund--State Appropriation (FY 2010) | ((\$557,621,000)) |
| 33 | | <u>\$557,452,000</u> |
| 34 | General Fund--State Appropriation (FY 2011) | ((\$588,286,000)) |
| 35 | | <u>\$587,973,000</u> |
| 36 | General Fund--Federal Appropriation | ((\$1,140,367,000)) |
| 37 | | <u>\$1,139,899,000</u> |

| | | |
|---|---|----------------------------------|
| 1 | General Fund--Private/Local Appropriation | \$27,920,000 |
| 2 | Administrative Contingency Account--State | |
| 3 | Appropriation | \$29,136,000 |
| 4 | TOTAL APPROPRIATION | ((\$2,343,330,000)) |
| 5 | | <u>\$2,342,380,000</u> |

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

8 (1) \$303,196,000 of the general fund--state appropriation for
9 fiscal year 2010, \$309,755,000 of the general fund--state appropriation
10 for fiscal year 2011, \$29,136,000 of the administrative contingency
11 account--state appropriation, and \$778,606,000 of the general fund--
12 federal appropriation are provided solely for all components of the
13 WorkFirst program. The department shall use moneys from the
14 administrative contingency account for WorkFirst job placement services
15 provided by the employment security department. Within the amounts
16 provided for the WorkFirst program, the department may provide
17 assistance using state-only funds for families eligible for temporary
18 assistance for needy families. In addition, within the amounts
19 provided for WorkFirst the department shall:

- 20 (a) Establish a career services work transition program;
- 21 (b) Continue to implement WorkFirst program improvements that are
22 designed to achieve progress against outcome measures specified in RCW
23 74.08A.410. Outcome data regarding job retention and wage progression
24 shall be reported quarterly to appropriate fiscal and policy committees
25 of the legislature for families who leave assistance, measured after 12
26 months, 24 months, and 36 months. The department shall also report the
27 percentage of families who have returned to temporary assistance for
28 needy families after 12 months, 24 months, and 36 months;
- 29 (c) Submit a report electronically by October 1, 2009, to the
30 fiscal committees of the legislature containing a spending plan for the
31 WorkFirst program. The plan shall identify how spending levels in the
32 2009-2011 biennium will be adjusted to stay within available federal
33 grant levels and the appropriated state-fund levels;
- 34 (d) Provide quarterly fiscal reports to the office of financial
35 management and the legislative fiscal committees detailing information
36 on the amount expended from general fund--state and general fund--
37 federal by activity;

1 (e) Maintain the fiscal year 2009 grant standard for the temporary
2 assistance for needy families grant.

3 (2) The department and the office of financial management shall
4 electronically report quarterly the expenditures, maintenance of effort
5 allotments, expenditure amounts, and caseloads for the WorkFirst
6 program to the legislative fiscal committees.

7 (3) \$84,856,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$95,173,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for cash assistance and other
10 services to recipients in the general assistance--unemployable program.
11 Within these amounts:

12 (a) The department shall aggressively pursue opportunities to
13 transfer general assistance unemployable clients to general assistance
14 expedited coverage and to facilitate client applications for federal
15 supplemental security income when the client's incapacities indicate
16 that he or she would be likely to meet the federal disability criteria
17 for supplemental security income. The department shall initiate and
18 file the federal supplemental security income interim agreement as
19 quickly as possible in order to maximize the recovery of federal funds;

20 (b) The department shall review the general assistance caseload to
21 identify recipients that would benefit from assistance in becoming
22 naturalized citizens, and thus be eligible to receive federal
23 supplemental security income benefits. Those cases shall be given high
24 priority for naturalization funding through the department;

25 (c) The department shall actively coordinate with local workforce
26 development councils to expedite access to worker retraining programs
27 for general assistance unemployable clients in those regions of the
28 state with the greatest number of such clients;

29 (d) By July 1, 2009, the department shall enter into an interagency
30 agreement with the department of veterans' affairs to establish a
31 process for referral of veterans who may be eligible for veteran's
32 services. This agreement must include outstationing department of
33 veterans' affairs staff in selected community service office locations
34 in King and Pierce counties to facilitate applications for veterans'
35 services; and

36 (e) In addition to any earlier evaluation that may have been
37 conducted, the department shall intensively evaluate those clients who
38 have been receiving general assistance unemployable benefits for twelve

1 months or more as of July 1, 2009, or thereafter, if the available
2 medical and incapacity related evidence indicates that the client is
3 unlikely to meet the disability standard for federal supplemental
4 security income benefits. The evaluation shall identify services
5 necessary to eliminate or minimize barriers to employment, including
6 mental health treatment, substance abuse treatment and vocational
7 rehabilitation services. The department shall expedite referrals to
8 chemical dependency treatment, mental health and vocational
9 rehabilitation services for these clients.

10 (f) The appropriations in this subsection reflect a change in the
11 earned income disregard policy for general assistance unemployable
12 clients. It is the intent of the legislature that the department shall
13 adopt the temporary assistance for needy families earned income policy
14 for general assistance unemployable.

15 (~~(+5)~~) (4) \$750,000 of the general fund--state appropriation for
16 fiscal year 2010 and \$750,000 of the general fund--state appropriation
17 for fiscal year 2011 are provided solely for naturalization services.

18 (~~(+6)~~) (5)(a) \$3,550,000 of the general fund--state appropriation
19 for fiscal year 2010 is provided solely for refugee employment
20 services, of which \$2,650,000 is provided solely for the department to
21 pass through to statewide refugee assistance organizations for limited
22 English proficiency pathway services; and \$3,550,000 of the general
23 fund--state appropriation for fiscal year 2011 is provided solely for
24 refugee employment services, of which \$2,650,000 is provided solely for
25 the department to pass through to statewide refugee assistance
26 organizations for limited English proficiency pathway services.

27 (b) The legislature intends that the appropriation in this
28 subsection for the 2009-11 fiscal biennium will maintain funding for
29 refugee programs at a level at least equal to expenditures on these
30 programs in the 2007-09 fiscal biennium.

31 (~~(+7)~~) (6) The appropriations in this section reflect reductions
32 in the appropriations for the economic services administration's
33 administrative expenses. It is the intent of the legislature that
34 these reductions shall be achieved, to the greatest extent possible, by
35 reducing those administrative costs that do not affect direct client
36 services or direct service delivery or program.

| | | |
|----|---|----------------------------------|
| 1 | PROGRAM | |
| 2 | General Fund--State Appropriation (FY 2010) | ((\$1,597,387,000)) |
| 3 | | <u>\$1,598,043,000</u> |
| 4 | General Fund--State Appropriation (FY 2011) | ((\$1,984,797,000)) |
| 5 | | <u>\$1,985,797,000</u> |
| 6 | General Fund--Federal Appropriation | ((\$5,210,672,000)) |
| 7 | | <u>\$5,212,855,000</u> |
| 8 | General Fund--Private/Local Appropriation | \$12,903,000 |
| 9 | Emergency Medical Services and Trauma Care Systems | |
| 10 | Trust Account--State Appropriation | \$15,076,000 |
| 11 | Tobacco Prevention and Control Account-- | |
| 12 | State Appropriation | \$3,766,000 |
| 13 | TOTAL APPROPRIATION | ((\$8,824,601,000)) |
| 14 | | <u>\$8,828,440,000</u> |

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

17 (1) Based on quarterly expenditure reports and caseload forecasts,
18 if the department estimates that expenditures for the medical
19 assistance program will exceed the appropriations, the department shall
20 take steps including but not limited to reduction of rates or
21 elimination of optional services to reduce expenditures so that total
22 program costs do not exceed the annual appropriation authority.

23 (2) In determining financial eligibility for medicaid-funded
24 services, the department is authorized to disregard recoveries by
25 Holocaust survivors of insurance proceeds or other assets, as defined
26 in RCW 48.104.030.

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

30 (4) When a person is ineligible for medicaid solely by reason of
31 residence in an institution for mental diseases, the department shall
32 provide the person with the same benefits as he or she would receive if
33 eligible for medicaid, using state-only funds to the extent necessary.

34 (5) In accordance with RCW 74.46.625, \$6,000,000 of the general
35 fund--federal appropriation is provided solely for supplemental
36 payments to nursing homes operated by public hospital districts. The
37 public hospital district shall be responsible for providing the
38 required nonfederal match for the supplemental payment, and the

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

19 (6) \$1,110,000 of the general fund--federal appropriation and
20 \$1,105,000 of the general fund--state appropriation for fiscal year
21 2011 are provided solely for grants to rural hospitals. The department
22 shall distribute the funds under a formula that provides a relatively
23 larger share of the available funding to hospitals that (a) serve a
24 disproportionate share of low-income and medically indigent patients,
25 and (b) have relatively smaller net financial margins, to the extent
26 allowed by the federal medicaid program.

27 (7) \$9,818,000 of the general fund--state appropriation for fiscal
28 year 2011, and \$9,865,000 of the general fund--federal appropriation
29 are provided solely for grants to nonrural hospitals. The department
30 shall distribute the funds under a formula that provides a relatively
31 larger share of the available funding to hospitals that (a) serve a
32 disproportionate share of low-income and medically indigent patients,
33 and (b) have relatively smaller net financial margins, to the extent
34 allowed by the federal medicaid program.

35 (8) The department shall continue the inpatient hospital certified
36 public expenditures program for the 2009-11 biennium. The program
37 shall apply to all public hospitals, including those owned or operated
38 by the state, except those classified as critical access hospitals or

1 state psychiatric institutions. The department shall submit reports to
2 the governor and legislature by November 1, 2009, and by November 1,
3 2010, that evaluate whether savings continue to exceed costs for this
4 program. If the certified public expenditures (CPE) program in its
5 current form is no longer cost-effective to maintain, the department
6 shall submit a report to the governor and legislature detailing
7 cost-effective alternative uses of local, state, and federal resources
8 as a replacement for this program. During fiscal year 2010 and fiscal
9 year 2011, hospitals in the program shall be paid and shall retain one
10 hundred percent of the federal portion of the allowable hospital cost
11 for each medicaid inpatient fee-for-service claim payable by medical
12 assistance and one hundred percent of the federal portion of the
13 maximum disproportionate share hospital payment allowable under federal
14 regulations. Inpatient medicaid payments shall be established using an
15 allowable methodology that approximates the cost of claims submitted by
16 the hospitals. Payments made to each hospital in the program in each
17 fiscal year of the biennium shall be compared to a baseline amount.
18 The baseline amount will be determined by the total of (a) the
19 inpatient claim payment amounts that would have been paid during the
20 fiscal year had the hospital not been in the CPE program, (b) one half
21 of the indigent assistance disproportionate share hospital payment
22 amounts paid to and retained by each hospital during fiscal year 2005,
23 and (c) all of the other disproportionate share hospital payment
24 amounts paid to and retained by each hospital during fiscal year 2005
25 to the extent the same disproportionate share hospital programs exist
26 in the 2009-11 biennium. If payments during the fiscal year exceed the
27 hospital's baseline amount, no additional payments will be made to the
28 hospital except the federal portion of allowable disproportionate share
29 hospital payments for which the hospital can certify allowable match.
30 If payments during the fiscal year are less than the baseline amount,
31 the hospital will be paid a state grant equal to the difference between
32 payments during the fiscal year and the applicable baseline amount.
33 Payment of the state grant shall be made in the applicable fiscal year
34 and distributed in monthly payments. The grants will be recalculated
35 and redistributed as the baseline is updated during the fiscal year.
36 The grant payments are subject to an interim settlement within eleven
37 months after the end of the fiscal year. A final settlement shall be
38 performed. To the extent that either settlement determines that a

1 hospital has received funds in excess of what it would have received as
2 described in this subsection, the hospital must repay the excess
3 amounts to the state when requested. \$6,570,000 of the general fund--
4 state appropriation for fiscal year 2010, which is appropriated in
5 section 204(1) of this act, and \$1,500,000 of the general fund--state
6 appropriation for fiscal year 2011, which is appropriated in section
7 204(1) of this act, are provided solely for state grants for the
8 participating hospitals. Sufficient amounts are appropriated in this
9 section for the remaining state grants for the participating hospitals.

10 (9) The department is authorized to use funds appropriated in this
11 section to purchase goods and supplies through direct contracting with
12 vendors when the department determines it is cost-effective to do so.

13 ~~((+12))~~ (10) \$93,000 of the general fund--state appropriation for
14 fiscal year 2010 and \$93,000 of the general fund--federal appropriation
15 are provided solely for the department to pursue a federal Medicaid
16 waiver pursuant to Second Substitute Senate Bill No. 5945 (Washington
17 health partnership plan). If the bill is not enacted by June 30, 2009,
18 the amounts provided in this subsection shall lapse.

19 ~~((+13))~~ (11) The department shall require managed health care
20 systems that have contracts with the department to serve medical
21 assistance clients to limit any reimbursements or payments the systems
22 make to providers not employed by or under contract with the systems to
23 no more than the medical assistance rates paid by the department to
24 providers for comparable services rendered to clients in the fee-for-
25 service delivery system.

26 ~~((+16))~~ (12) A maximum of \$166,875,000 of the general fund--state
27 appropriation and \$38,389,000 of the general fund--federal
28 appropriation may be expended in the fiscal biennium for the general
29 assistance-unemployable medical program, and these amounts are provided
30 solely for this program. Of these amounts, \$10,749,000 of the general
31 fund--state appropriation for fiscal year 2010 and \$10,892,000 of the
32 general fund--federal appropriation are provided solely for payments to
33 hospitals for providing outpatient services to low income patients who
34 are recipients of general assistance-unemployable. Pursuant to RCW
35 74.09.035, the department shall not expend for the general assistance
36 medical care services program any amounts in excess of the amounts
37 provided in this subsection.

1 (~~(17)~~) (13) If the department determines that it is feasible
2 within the amounts provided in subsection (16) of this section, and
3 without the loss of federal disproportionate share hospital funds, the
4 department shall contract with the carrier currently operating a
5 managed care pilot project for the provision of medical care services
6 to general assistance-unemployable clients. Mental health services
7 shall be included in the services provided through the managed care
8 system. If the department determines that it is feasible, effective
9 October 1, 2009, in addition to serving clients in the pilot counties,
10 the carrier shall expand managed care services to clients residing in
11 at least the following counties: Spokane, Yakima, Chelan, Kitsap, and
12 Cowlitz. If the department determines that it is feasible, the carrier
13 shall complete implementation into the remaining counties. Total per
14 person costs to the state, including outpatient and inpatient services
15 and any additional costs due to stop loss agreements, shall not exceed
16 the per capita payments projected for the general assistance-
17 unemployable eligibility category, by fiscal year, in the February 2009
18 medical assistance expenditures forecast. The department, in
19 collaboration with the carrier, shall seek to improve the transition
20 rate of general assistance clients to the federal supplemental security
21 income program.

22 (~~(18)~~) (14) The department shall evaluate the impact of the use
23 of a managed care delivery and financing system on state costs and
24 outcomes for general assistance medical clients. Outcomes measured
25 shall include state costs, utilization, changes in mental health status
26 and symptoms, and involvement in the criminal justice system.

27 (~~(19)~~) (15) The department shall report to the governor and the
28 fiscal committees of the legislature by June 1, 2010, on its progress
29 toward achieving a twenty percentage point increase in the generic
30 prescription drug utilization rate.

31 (~~(20)~~) (16) State funds shall not be used by hospitals for
32 advertising purposes.

33 (~~(21)~~) (17) The department shall seek a medicaid state plan
34 amendment to create a professional services supplemental payment
35 program for University of Washington medicine professional providers no
36 later than July 1, 2009. The department shall apply federal rules for
37 identifying the shortfall between current fee-for-service medicaid
38 payments to participating providers and the applicable federal upper

1 payment limit. Participating providers shall be solely responsible for
2 providing the local funds required to obtain federal matching funds.
3 Any incremental costs incurred by the department in the development,
4 implementation, and maintenance of this program will be the
5 responsibility of the participating providers. Participating providers
6 will retain the full amount of supplemental payments provided under
7 this program, net of any potential costs for any related audits or
8 litigation brought against the state. The department shall report to
9 the governor and the legislative fiscal committees on the prospects for
10 expansion of the program to other qualifying providers as soon as
11 feasibility is determined but no later than December 31, 2009. The
12 report will outline estimated impacts on the participating providers,
13 the procedures necessary to comply with federal guidelines, and the
14 administrative resource requirements necessary to implement the
15 program. The department will create a process for expansion of the
16 program to other qualifying providers as soon as it is determined
17 feasible by both the department and providers but no later than June
18 30, 2010.

19 ~~((+22))~~ (18) \$9,350,000 of the general fund--state appropriation
20 for fiscal year 2010, \$8,313,000 of the general fund--state
21 appropriation for fiscal year 2011, and \$20,371,000 of the general
22 fund--federal appropriation are provided solely for development and
23 implementation of a replacement system for the existing medicaid
24 management information system. The amounts provided in this subsection
25 are conditioned on the department satisfying the requirements of
26 section 902 of this act.

27 ~~((+23))~~ (19) \$506,000 of the general fund--state appropriation for
28 fiscal year 2011 and \$657,000 of the general fund--federal
29 appropriation are provided solely for the implementation of Second
30 Substitute House Bill No. 1373 (children's mental health). If the bill
31 is not enacted by June 30, 2009, the amounts provided in this
32 subsection shall lapse.

33 ~~((+24))~~ (20) Pursuant to 42 U.S.C. Sec. 1396(a)(25), the
34 department shall pursue insurance claims on behalf of medicaid children
35 served through its in-home medically intensive child program under WAC
36 388-551-3000. The department shall report to the Legislature by
37 December 31, 2009, on the results of its efforts to recover such
38 claims.

1 ~~((+25+))~~ (21) The department may, on a case-by-case basis and in
2 the best interests of the child, set payment rates for medically
3 intensive home care services to promote access to home care as an
4 alternative to hospitalization. Expenditures related to these
5 increased payments shall not exceed the amount the department would
6 otherwise pay for hospitalization for the child receiving medically
7 intensive home care services.

8 ~~((+26+))~~ (22) \$425,000 of the general fund--state appropriation for
9 fiscal year 2010, \$425,000 of the general fund--state appropriation for
10 fiscal year 2011, and \$1,580,000 of the general fund--federal
11 appropriation are provided solely to continue children's health
12 coverage outreach and education efforts under RCW 74.09.470. These
13 efforts shall rely on existing relationships and systems developed with
14 local public health agencies, health care providers, public schools,
15 the women, infants, and children program, the early childhood education
16 and assistance program, child care providers, newborn visiting nurses,
17 and other community-based organizations. The department shall seek
18 public-private partnerships and federal funds that are or may become
19 available to provide on-going support for outreach and education
20 efforts under the federal children's health insurance program
21 reauthorization act of 2009.

22 ~~((+27+))~~ (23) The department, in conjunction with the office of
23 financial management, shall reduce outpatient and inpatient hospital
24 rates and implement a prorated inpatient payment policy. In
25 determining the level of reductions needed, the department shall
26 include in its calculations services paid under fee-for-service,
27 managed care, and certified public expenditure payment methods; but
28 reductions shall not apply to payments for psychiatric inpatient
29 services or payments to critical access hospitals.

30 ~~((+28+))~~ (24) The department will pursue a competitive procurement
31 process for antihemophilic products, emphasizing evidence-based
32 medicine and protection of patient access without significant
33 disruption in treatment.

34 ~~((+29+))~~ (25) The department will pursue several strategies towards
35 reducing pharmacy expenditures including but not limited to increasing
36 generic prescription drug utilization by 20 percentage points and
37 promoting increased utilization of the existing mail-order pharmacy
38 program.

1 ~~((30))~~ (26) The department shall reduce reimbursement for over-
2 the-counter medications while maintaining reimbursement for those over-
3 the-counter medications that can replace more costly prescription
4 medications.

5 ~~((31))~~ (27) The department shall seek public-private partnerships
6 and federal funds that are or may become available to implement health
7 information technology projects under the federal American recovery and
8 reinvestment act of 2009.

9 ~~((32))~~ (28) The department shall target funding for maternity
10 support services towards pregnant women with factors that lead to
11 higher rates of poor birth outcomes, including hypertension, a preterm
12 or low birth weight birth in the most recent previous birth, a
13 cognitive deficit or developmental disability, substance abuse, severe
14 mental illness, unhealthy weight or failure to gain weight, tobacco
15 use, or African American or Native American race.

16 ~~((34))~~ (29) \$79,000 of the general fund--state appropriation for
17 fiscal year 2010 and \$53,000 of the general fund--federal appropriation
18 are provided solely to implement Substitute House Bill No. 1845
19 (medical support obligations).

20 ~~((35))~~ (30) \$63,000 of the general fund--state appropriation for
21 fiscal year 2010, \$583,000 of the general fund--state appropriation for
22 fiscal year 2011, and \$864,000 of the general fund--federal
23 appropriation are provided solely to implement Engrossed House Bill No.
24 2194 (extraordinary medical placement for offenders). The department
25 shall work in partnership with the department of corrections to
26 identify services and find placements for offenders who are released
27 through the extraordinary medical placement program. The department
28 shall collaborate with the department of corrections to identify and
29 track cost savings to the department of corrections, including medical
30 cost savings, and to identify and track expenditures incurred by the
31 aging and disability services program for community services and by the
32 medical assistance program for medical expenses. A joint report
33 regarding the identified savings and expenditures shall be provided to
34 the office of financial management and the appropriate fiscal
35 committees of the legislature by November 30, 2010. If this bill is
36 not enacted by June 30, 2009, the amounts provided in this subsection
37 shall lapse.

1 ((+36+)) (31) Sufficient amounts are provided in this section to
2 provide full benefit dual eligible beneficiaries with medicare part D
3 prescription drug copayment coverage in accordance with RCW 74.09.520.

4 **Sec. 209.** 2009 c 564 s 210 (uncodified) is amended to read as
5 follows:

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

| | | |
|----|---|--------------------------------|
| 8 | General Fund--State Appropriation (FY 2010) | ((\$10,452,000)) |
| 9 | | <u>\$10,451,000</u> |
| 10 | General Fund--State Appropriation (FY 2011) | ((\$10,127,000)) |
| 11 | | <u>\$10,125,000</u> |
| 12 | General Fund--Federal Appropriation | ((\$83,553,000)) |
| 13 | | <u>\$83,534,000</u> |
| 14 | Telecommunications Devices for the Hearing and | |
| 15 | Speech Impaired--State Appropriation | \$1,979,000 |
| 16 | TOTAL APPROPRIATION | ((\$106,111,000)) |
| 17 | | <u>\$106,089,000</u> |

18 The appropriations in this section are subject to the following
19 conditions and limitations: The vocational rehabilitation program
20 shall coordinate closely with the economic services program to serve
21 general assistance unemployable clients who are referred for
22 eligibility determination and vocational rehabilitation services, and
23 shall make every effort, within the requirements of the federal
24 rehabilitation act of 1973, to serve these clients.

25 **Sec. 210.** 2009 c 564 s 211 (uncodified) is amended to read as
26 follows:

27 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
28 **PROGRAM**

| | | |
|----|---|--------------------------------|
| 29 | General Fund--State Appropriation (FY 2010) | ((\$54,027,000)) |
| 30 | | <u>\$49,818,000</u> |
| 31 | General Fund--State Appropriation (FY 2011) | ((\$53,137,000)) |
| 32 | | <u>\$47,259,000</u> |
| 33 | TOTAL APPROPRIATION | ((\$107,164,000)) |
| 34 | | <u>\$97,077,000</u> |

1 possible a maximum ratio of grant moneys provided and administrative
2 costs.

3 (5) Amounts appropriated in this section reflect a reduction to the
4 council on children and families. The council on children and families
5 shall reevaluate staffing levels and administrative costs to ensure to
6 the extent possible a maximum ratio of grant moneys provided and
7 administrative costs.

8 **Sec. 212.** 2009 c 564 s 215 (uncodified) is amended to read as
9 follows:

10 **FOR THE HUMAN RIGHTS COMMISSION**

| | | |
|----|---|------------------------------|
| 11 | General Fund--State Appropriation (FY 2010) | ((\$2,802,000)) |
| 12 | | <u>\$2,638,000</u> |
| 13 | General Fund--State Appropriation (FY 2011) | ((\$2,814,000)) |
| 14 | | <u>\$2,533,000</u> |
| 15 | General Fund--Federal Appropriation | \$1,299,000 |
| 16 | TOTAL APPROPRIATION | ((\$6,915,000)) |
| 17 | | <u>\$6,470,000</u> |

18 **Sec. 213.** 2009 c 564 s 219 (uncodified) is amended to read as
19 follows:

20 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

| | | |
|----|---|------------------------------|
| 21 | General Fund--State Appropriation (FY 2010) | ((\$1,913,000)) |
| 22 | | <u>\$1,882,000</u> |
| 23 | General Fund--State Appropriation (FY 2011) | ((\$1,917,000)) |
| 24 | | <u>\$1,886,000</u> |
| 25 | TOTAL APPROPRIATION | ((\$3,830,000)) |
| 26 | | <u>\$3,768,000</u> |

27 **Sec. 214.** 2009 c 564 s 222 (uncodified) is amended to read as
28 follows:

29 **FOR THE DEPARTMENT OF HEALTH**

| | | |
|----|---|--------------------------------|
| 30 | General Fund--State Appropriation (FY 2010) | ((\$108,879,000)) |
| 31 | | <u>\$107,413,000</u> |
| 32 | General Fund--State Appropriation (FY 2011) | ((\$84,169,000)) |
| 33 | | <u>\$82,806,000</u> |
| 34 | General Fund--Federal Appropriation | \$480,871,000 |
| 35 | General Fund--Private/Local Appropriation | \$138,846,000 |

| | | |
|----|--|----------------------------|
| 1 | Hospital Data Collection Account--State Appropriation | \$326,000 |
| 2 | Health Professions Account--State Appropriation | \$76,218,000 |
| 3 | Aquatic Lands Enhancement Account--State Appropriation | \$603,000 |
| 4 | Emergency Medical Services and Trauma Care Systems | |
| 5 | Trust Account--State Appropriation | \$13,531,000 |
| 6 | Safe Drinking Water Account--State Appropriation | \$2,723,000 |
| 7 | Drinking Water Assistance Account--Federal | |
| 8 | Appropriation | \$22,817,000 |
| 9 | Waterworks Operator Certification--State Appropriation | \$1,519,000 |
| 10 | Drinking Water Assistance Administrative Account-- | |
| 11 | State Appropriation | \$326,000 |
| 12 | State Toxics Control Account--State Appropriation | \$3,600,000 |
| 13 | Medical Test Site Licensure Account--State Appropriation | \$2,117,000 |
| 14 | Youth Tobacco Prevention Account--State Appropriation | \$1,512,000 |
| 15 | Public Health Supplemental Account--Private/Local | |
| 16 | Appropriation | \$3,525,000 |
| 17 | Accident Account--State Appropriation | \$295,000 |
| 18 | Medical Aid Account--State Appropriation | \$48,000 |
| 19 | Tobacco Prevention and Control Account-- | |
| 20 | State Appropriation | (\$46,884,000) |
| 21 | | <u>\$46,852,000</u> |
| 22 | Biotoxin Account--State Appropriation | \$1,165,000 |
| 23 | TOTAL APPROPRIATION | (\$989,974,000) |
| 24 | | <u>\$987,113,000</u> |

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

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

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

10 (2) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is
11 authorized to establish fees by the amount necessary to fully support
12 the cost of activities related to the administration of long-term care
13 worker certification. The department is further authorized to increase
14 fees by the amount necessary to implement the regulatory requirements
15 of the following bills: House Bill No. 1414 (health care assistants),
16 House Bill No. 1740 (dental residency licenses), and House Bill No.
17 1899 (retired active physician licenses).

18 ~~((+4))~~ (3) \$764,000 of the health professions account--state
19 appropriation is provided solely for the medical quality assurance
20 commission to maintain disciplinary staff and associated costs
21 sufficient to reduce the backlog of disciplinary cases and to continue
22 to manage the disciplinary caseload of the commission.

23 ~~((+5))~~ (4) \$57,000 of the general fund--state appropriation for
24 fiscal year 2010 and \$58,000 of the general fund--state appropriation
25 for fiscal year 2011 are provided solely for the midwifery licensure
26 and regulatory program to offset a reduction in revenue from fees.
27 There shall be no change to the current annual fees for new or renewed
28 licenses for the midwifery program. The department shall convene the
29 midwifery advisory committee on a quarterly basis to address issues
30 related to licensed midwifery.

31 ~~((+6))~~ (5) Funding for the human papillomavirus vaccine shall not
32 be included in the department's universal vaccine purchase program in
33 fiscal year 2010. Remaining funds for the universal vaccine purchase
34 program shall be used to continue the purchase of all other vaccines
35 included in the program until May 1, 2010, or until state funds are
36 exhausted, at which point state funding for the universal vaccine
37 purchase program shall be discontinued. Funds from section 317 of the

1 federal public health services act direct assistance shall not be used
2 in lieu of state funds.

3 ~~((+7))~~ (6) Beginning July 1, 2010, the department, in
4 collaboration with the department of social and health services, shall
5 maximize the use of existing federal funds, including section 317 of
6 the federal public health services act direct assistance as well as
7 federal funds that may become available under the American recovery and
8 reinvestment act, in order to continue to provide immunizations for
9 low-income, nonmedicaid eligible children up to three hundred percent
10 of the federal poverty level in state-sponsored health programs.

11 ~~((+8))~~ (7) The department shall eliminate outreach activities for
12 the health care directives registry and use the remaining amounts to
13 maintain the contract for the registry and minimal staffing necessary
14 to administer the basic entry functions for the registry.

15 ~~((+9))~~ (8) Funding in this section reflects a temporary reduction
16 of resources for the 2009-11 fiscal biennium for the state board of
17 health to conduct health impact reviews.

18 ~~((+10))~~ (9) Pursuant to RCW 43.135.055 and 43.70.125, the
19 department is authorized to adopt rules to establish a fee schedule to
20 apply to applicants for initial certification surveys of health care
21 facilities for purposes of receiving federal health care program
22 reimbursement. The fees shall only apply when the department has
23 determined that federal funding is not sufficient to compensate the
24 department for the cost of conducting initial certification surveys.
25 The fees for initial certification surveys may be established as
26 follows: Up to \$1,815 for ambulatory surgery centers, up to \$2,015 for
27 critical access hospitals, up to \$980 for end stage renal disease
28 facilities, up to \$2,285 for home health agencies, up to \$2,285 for
29 hospice agencies, up to \$2,285 for hospitals, up to \$520 for
30 rehabilitation facilities, up to \$690 for rural health clinics, and up
31 to \$7,000 for transplant hospitals.

32 ~~((+11))~~ (10) Funding for family planning grants for fiscal year
33 2011 is reduced in the expectation that federal funding shall become
34 available to expand coverage of services for individuals through
35 programs at the department of social and health services. In the event
36 that such funding is not provided, the legislature intends to continue
37 funding through a supplemental appropriation at fiscal year 2010
38 levels.

1 ~~((12))~~ (11) \$16,000,000 of the tobacco prevention and control
2 account--state appropriation is provided solely for local health
3 jurisdictions to conduct core public health functions as defined in RCW
4 43.70.514.

5 ~~((13))~~ (12) \$100,000 of the health professions account
6 appropriation is provided solely for implementation of Substitute House
7 Bill No. 1414 (health care assistants). If the bill is not enacted by
8 June 30, 2009, the amount provided in this subsection shall lapse.

9 ~~((14))~~ (13) \$42,000 of the health professions account--state
10 appropriation is provided solely to implement Substitute House Bill No.
11 1740 (dentistry license issuance). If the bill is not enacted by June
12 30, 2009, the amount provided in this section shall lapse.

13 ~~((15))~~ (14) \$23,000 of the health professions account--state
14 appropriation is provided solely to implement Second Substitute House
15 Bill No. 1899 (retired active physician licenses). If the bill is not
16 enacted by June 30, 2009, the amount provided in this section shall
17 lapse.

18 ~~((16))~~ (15) \$12,000 of the general fund--state appropriation for
19 fiscal year 2010 and \$67,000 of the general fund--private/local
20 appropriation are provided solely to implement House Bill No. 1510
21 (birth certificates). If the bill is not enacted by June 30, 2009, the
22 amount provided in this section shall lapse.

23 ~~((17))~~ (16) \$31,000 of the health professions account is provided
24 for the implementation of Second Substitute Senate Bill No. 5850 (human
25 trafficking). If the bill is not enacted by June 2009, the amount
26 provided in this subsection shall lapse.

27 ~~((18))~~ (17) \$282,000 of the health professions account is
28 provided for the implementation of Substitute Senate Bill No. 5752
29 (dentists cost recovery). If the bill is not enacted by June 2009, the
30 amount provided in this subsection shall lapse.

31 ~~((19))~~ (18) \$106,000 of the health professions account is
32 provided for the implementation of Substitute Senate Bill No. 5601
33 (speech language assistants). If the bill is not enacted by June 2009,
34 the amount provided in this subsection shall lapse.

35 **Sec. 215.** 2009 c 564 s 223 (uncodified) is amended to read as
36 follows:

1 **FOR THE DEPARTMENT OF CORRECTIONS**

2 (1) ADMINISTRATION AND SUPPORT SERVICES

| | | |
|---|---|---------------|
| 3 | General Fund--State Appropriation (FY 2010) | \$55,622,000 |
| 4 | General Fund--State Appropriation (FY 2011) | \$56,318,000 |
| 5 | TOTAL APPROPRIATION | \$111,940,000 |

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

8 (a) Within funds appropriated in this section, the department shall
9 seek contracts for chemical dependency vendors to provide chemical
10 dependency treatment of offenders in corrections facilities, including
11 corrections centers and community supervision facilities, which have
12 demonstrated effectiveness in treatment of offenders and are able to
13 provide data to show a successful treatment rate.

14 (b) \$35,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$35,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the support of a statewide
17 council on mentally ill offenders that includes as its members
18 representatives of community-based mental health treatment programs,
19 current or former judicial officers, and directors and commanders of
20 city and county jails and state prison facilities. The council will
21 investigate and promote cost-effective approaches to meeting the long-
22 term needs of adults and juveniles with mental disorders who have a
23 history of offending or who are at-risk of offending, including their
24 mental health, physiological, housing, employment, and job training
25 needs.

26 (2) CORRECTIONAL OPERATIONS

| | | |
|----|---|------------------------------|
| 27 | General Fund--State Appropriation (FY 2010) | (\$459,575,000) |
| 28 | | <u>\$456,657,000</u> |
| 29 | General Fund--State Appropriation (FY 2011) | (\$629,070,000) |
| 30 | | <u>\$626,303,000</u> |
| 31 | General Fund--Federal Appropriation | \$185,131,000 |
| 32 | General Fund--Private/Local Appropriation | \$3,536,000 |
| 33 | Washington Auto Theft Prevention Authority Account-- | |
| 34 | State Appropriation | \$5,960,000 |
| 35 | TOTAL APPROPRIATION | (\$1,283,272,000) |
| 36 | | <u>\$1,277,587,000</u> |

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

3 (a) The department may expend funds generated by contractual
4 agreements entered into for mitigation of severe overcrowding in local
5 jails. Any funds generated in excess of actual costs shall be
6 deposited in the state general fund. Expenditures shall not exceed
7 revenue generated by such agreements and shall be treated as a recovery
8 of costs.

9 ~~((c))~~ (b) The department shall accomplish personnel reductions
10 with the least possible impact on correctional custody staff, community
11 custody staff, and correctional industries. For the purposes of this
12 subsection, correctional custody staff means employees responsible for
13 the direct supervision of offenders.

14 ~~((d))~~ (c) During the 2009-11 biennium, when contracts are
15 established or renewed for offender pay phone and other telephone
16 services provided to inmates, the department shall select the
17 contractor or contractors primarily based on the following factors:
18 (i) The lowest rate charged to both the inmate and the person paying
19 for the telephone call; and (ii) the lowest commission rates paid to
20 the department, while providing reasonable compensation to cover the
21 costs of the department to provide the telephone services to inmates
22 and provide sufficient revenues for the activities funded from the
23 institutional welfare betterment account.

24 ~~((e))~~ (d) The Harborview medical center shall provide inpatient
25 and outpatient hospital services to offenders confined in department of
26 corrections facilities at a rate no greater than the average rate that
27 the department has negotiated with other community hospitals in
28 Washington state.

29 ~~((g))~~ (e) A political subdivision which is applying for funding
30 to mitigate one-time impacts associated with construction or expansion
31 of a correctional institution, consistent with WAC 137-12A-030, may
32 apply for the mitigation funds in the fiscal biennium in which the
33 impacts occur or in the immediately succeeding fiscal biennium.

34 ~~((h))~~ (f) Within amounts provided in this subsection, the
35 department, jointly with the department of social and health services,
36 shall identify the number of offenders released through the
37 extraordinary medical placement program, the cost savings to the
38 department of corrections, including estimated medical cost savings,

1 and the costs for medical services in the community incurred by the
2 department of social and health services. The department and the
3 department of social and health services shall jointly report to the
4 office of financial management and the appropriate fiscal committees of
5 the legislature by November 30, 2010.

6 ~~((+i))~~ (g) \$11,863,000 of the general fund--state appropriation
7 for fiscal year 2010, \$11,864,000 of the general fund--state
8 appropriation for fiscal year 2011, and \$2,336,000 of the general fund-
9 private/local appropriation are provided solely for in-prison evidence-
10 based programs and for the reception diagnostic center program as part
11 of the offender re-entry initiative.

12 (3) COMMUNITY SUPERVISION

| | | |
|----|--|-------------------------------|
| 13 | General Fund--State Appropriation (FY 2010) | ((\$152,122,000) |
| 14 | | <u>\$151,249,000</u> |
| 15 | General Fund--State Appropriation (FY 2011) | ((\$141,982,000) |
| 16 | | <u>\$141,785,000</u> |
| 17 | ((General Fund--Federal Appropriation | \$750,000)) |
| 18 | TOTAL APPROPRIATION | ((\$294,854,000) |
| 19 | | <u>\$293,034,000</u> |

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

22 (a) The department shall accomplish personnel reductions with the
23 least possible impact on correctional custody staff, community custody
24 staff, and correctional industries. For the purposes of this
25 subsection, correctional custody staff means employees responsible for
26 the direct supervision of offenders.

27 (b) \$2,083,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$2,083,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely to implement Senate Bill No. 5525
30 (state institutions/release). If the bill is not enacted by June 30,
31 2009, the amounts provided in this subsection shall lapse.

32 ~~((~~\$375,000 of the general fund--state appropriation for fiscal~~~~
33 ~~year 2010 is provided solely as a matching amount of state funds for a~~
34 ~~federal--second--chance--act--grant--and--is--contingent--upon--receipt--of~~
35 ~~\$750,000 of federal funding under the second chance act.~~

36 ~~(d))~~ The appropriations in this subsection are based upon savings
37 assumed from the implementation of Engrossed Substitute Senate Bill No.
38 5288 (supervision of offenders).

1 ((e)) (d) \$2,791,000 of the general fund--state appropriation for
2 fiscal year 2010 and \$3,166,000 of the general fund--state
3 appropriation for fiscal year 2011 are provided solely for evidence-
4 based community programs and for community justice centers as part of
5 the offender re-entry initiative.

6 (4) CORRECTIONAL INDUSTRIES

| | |
|---|-------------|
| 7 General Fund--State Appropriation (FY 2010) | \$2,574,000 |
| 8 General Fund--State Appropriation (FY 2011) | \$2,565,000 |
| 9 TOTAL APPROPRIATION | \$5,139,000 |

10 The appropriations in this subsection are subject to the following
11 conditions and limitations: \$132,000 of the general fund--state
12 appropriation for fiscal year 2010 and \$132,000 of the general fund--
13 state appropriation for fiscal year 2011 are provided solely for
14 transfer to the jail industries board. The board shall use the amounts
15 provided only for administrative expenses, equipment purchases, and
16 technical assistance associated with advising cities and counties in
17 developing, promoting, and implementing consistent, safe, and efficient
18 offender work programs.

19 (5) INTERAGENCY PAYMENTS

| | |
|--|--------------|
| 20 General Fund--State Appropriation (FY 2010) | \$40,455,000 |
| 21 General Fund--State Appropriation (FY 2011) | \$40,450,000 |
| 22 TOTAL APPROPRIATION | \$80,905,000 |

23 **Sec. 216.** 2009 c 564 s 225 (uncodified) is amended to read as
24 follows:

25 **FOR THE SENTENCING GUIDELINES COMMISSION**

| | |
|--|--------------------------|
| 26 General Fund--State Appropriation (FY 2010) | (\$978,000) |
| 27 | <u>\$962,000</u> |
| 28 General Fund--State Appropriation (FY 2011) | (\$976,000) |
| 29 | <u>\$960,000</u> |
| 30 TOTAL APPROPRIATION | (\$1,954,000) |
| 31 | <u>\$1,922,000</u> |

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

34 (1) Within the amounts appropriated in this section, the sentencing
35 guidelines commission, in partnership with the courts, shall develop a
36 plan to implement an evidence-based system of community custody for

1 adult felons that will include the consistent use of evidence-based
2 risk and needs assessment tools, programs, supervision modalities, and
3 monitoring of program integrity. The plan for the evidence-based
4 system of community custody shall include provisions for identifying
5 cost-effective rehabilitative programs; identifying offenders for whom
6 such programs would be cost-effective; monitoring the system for cost-
7 effectiveness; and reporting annually to the legislature. In
8 developing the plan, the sentencing guidelines shall consult with: The
9 Washington state institute for public policy; the legislature; the
10 department of corrections; local governments; prosecutors; defense
11 attorneys; victim advocate groups; law enforcement; the Washington
12 federation of state employees; and other interested entities. The
13 sentencing guidelines commission shall report its recommendations to
14 the governor and the legislature by December 1, 2009.

15 (2)(a) Except as provided in subsection (b), during the 2009-11
16 biennium, the reports required by RCW 9.94A.480(2) and 9.94A.850(2) (d)
17 and (h) shall be prepared within the available funds and may be delayed
18 or suspended at the discretion of the commission.

19 (b) The commission shall submit the analysis described in section
20 15 of Engrossed Substitute Senate Bill No. 5288 no later than December
21 1, 2011.

(End of part)

PART III
NATURAL RESOURCES

Sec. 301. 2009 c 564 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

| | |
|--|----------------------|
| General Fund--State Appropriation (FY 2010) | (\$60,166,000) |
| | <u>\$59,991,000</u> |
| General Fund--State Appropriation (FY 2011) | (\$58,190,000) |
| | <u>\$58,047,000</u> |
| General Fund--Federal Appropriation | \$82,452,000 |
| General Fund--Private/Local Appropriation | \$16,668,000 |
| Special Grass Seed Burning Research Account--State Appropriation | \$14,000 |
| Reclamation Account--State Appropriation | \$3,679,000 |
| Flood Control Assistance Account--State Appropriation | \$1,965,000 |
| Waste Reduction/Recycling/Litter Control--State Appropriation | \$14,554,000 |
| State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation | \$426,000 |
| Freshwater Aquatic Algae Control Account--State Appropriation | \$509,000 |
| Water Rights Tracking System Account--State Appropriation | \$116,000 |
| Site Closure Account--State Appropriation | \$706,000 |
| Wood Stove Education and Enforcement Account-- State Appropriation | \$612,000 |
| Worker and Community Right-to-Know Account-- State Appropriation | \$1,670,000 |
| State Toxics Control Account--State Appropriation | (\$101,727,000) |
| | <u>\$101,705,000</u> |
| State Toxics Control Account--Private/Local Appropriation | \$383,000 |
| Local Toxics Control Account--State Appropriation | \$24,730,000 |
| Water Quality Permit Account--State Appropriation | \$37,433,000 |

| | | |
|----|--|----------------------------|
| 1 | Underground Storage Tank Account--State | |
| 2 | Appropriation | \$3,298,000 |
| 3 | Biosolids Permit Account--State Appropriation | \$1,413,000 |
| 4 | Hazardous Waste Assistance Account--State | |
| 5 | Appropriation | \$5,930,000 |
| 6 | Air Pollution Control Account--State Appropriation | (\$2,843,000) |
| 7 | | <u>\$2,030,000</u> |
| 8 | Oil Spill Prevention Account--State Appropriation | \$10,688,000 |
| 9 | Air Operating Permit Account--State Appropriation | \$2,783,000 |
| 10 | Freshwater Aquatic Weeds Account--State | |
| 11 | Appropriation | \$1,699,000 |
| 12 | Oil Spill Response Account--State Appropriation | \$7,078,000 |
| 13 | Metals Mining Account--State Appropriation | \$14,000 |
| 14 | Water Pollution Control Revolving Account--State | |
| 15 | Appropriation | \$465,000 |
| 16 | Water Pollution Control Revolving Account--Federal | |
| 17 | Appropriation | \$1,940,000 |
| 18 | TOTAL APPROPRIATION | (\$444,200,000) |
| 19 | | <u>\$442,998,000</u> |

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

22 (1) \$170,000 of the oil spill prevention account--state
23 appropriation is provided solely for a contract with the University of
24 Washington's sea grant program to continue an educational program
25 targeted to small spills from commercial fishing vessels, ferries,
26 cruise ships, ports, and marinas.

27 (2) \$240,000 of the woodstove education and enforcement account--
28 state appropriation is provided solely for citizen outreach efforts to
29 improve understanding of burn curtailments, the proper use of wood
30 heating devices, and public awareness of the adverse health effects of
31 woodsmoke pollution.

32 (3) \$3,000,000 of the general fund--private/local appropriation is
33 provided solely for contracted toxic-site cleanup actions at sites
34 where multiple potentially liable parties agree to provide funding.

35 (4) \$3,600,000 of the local toxics account--state appropriation is
36 provided solely for the standby emergency rescue tug stationed at Neah
37 Bay.

1 (5) \$811,000 of the state toxics account--state appropriation is
2 provided solely for oversight of toxic cleanup at facilities that
3 treat, store, and dispose of hazardous wastes.

4 (6) \$1,456,000 of the state toxics account--state appropriation is
5 provided solely for toxic cleanup at sites where willing parties
6 negotiate prepayment agreements with the department and provide
7 necessary funding.

8 (7) \$558,000 of the state toxics account--state appropriation and
9 \$3,000,000 of the local toxics account--state appropriation are
10 provided solely for grants and technical assistance to Puget Sound-area
11 local governments engaged in updating shoreline master programs.

12 (8) \$950,000 of the state toxics control account--state
13 appropriation is provided solely for measuring water and habitat
14 quality to determine watershed health and assist salmon recovery,
15 beginning in fiscal year 2011.

16 (9) RCW 70.105.280 authorizes the department to assess reasonable
17 service charges against those facilities that store, treat, incinerate,
18 or dispose of dangerous or extremely hazardous waste that involves both
19 a nonradioactive hazardous component and a radioactive component.
20 Service charges may not exceed the costs to the department in carrying
21 out the duties in RCW 70.105.280. The current service charges do not
22 meet the costs of the department to carry out its duties. Pursuant to
23 RCW 43.135.055 and 70.105.280, the department is authorized to increase
24 the service charges no greater than 18 percent for fiscal year 2010 and
25 no greater than 15 percent for fiscal year 2011. Such service charges
26 shall include all costs of public participation grants awarded to
27 qualified entities by the department pursuant to RCW 70.105D.070(5) for
28 facilities at which such grants are recognized as a component of a
29 community relations or public participation plan authorized or required
30 as an element of a consent order, federal facility agreement or agreed
31 order entered into or issued by the department pursuant to any federal
32 or state law governing investigation and remediation of releases of
33 hazardous substances. Public participation grants funded by such
34 service charges shall be in addition to, and not in place of, any other
35 grants made pursuant to RCW 70.105D.070(5). Costs for the public
36 participation grants shall be billed individually to the mixed waste
37 facility associated with the grant.

1 (10) The department is authorized to increase the following fees in
2 the 2009-2011 biennium as necessary to meet the actual costs of
3 conducting business and the appropriation levels in this section:
4 Environmental lab accreditation, dam safety and inspection, biosolids
5 permitting, air emissions new source review, and manufacturer
6 registration and renewal.

7 ~~((12))~~ (11) \$63,000 of the state toxics control account--state
8 appropriation is provided solely for implementation of Substitute
9 Senate Bill No. 5797 (solid waste handling permits). If the bill is
10 not enacted by June 30, 2009, the amount provided in this subsection
11 shall lapse.

12 ~~((13))~~ (12) \$225,000 of the general fund--state appropriation for
13 fiscal year 2010 and \$193,000 of the general fund--state appropriation
14 for fiscal year 2011 are provided solely for implementation of
15 Engrossed Second Substitute Bill No. 5560 (agency climate leadership).
16 If the bill is not enacted by June 30, 2009, the amounts provided in
17 this subsection shall lapse.

18 ~~((14))~~ (13) \$150,000 of the general fund--state appropriation for
19 fiscal year 2010 and \$150,000 of the general fund--state appropriation
20 for fiscal year 2011 are provided solely for watershed planning
21 implementation grants to continue ongoing efforts to develop and
22 implement water agreements in the Nooksack Basin and the Bertrand
23 watershed. These amounts are intended to support project
24 administration; monitoring; negotiations in the Nooksack watershed
25 between tribes, the department, and affected water users; continued
26 implementation of a flow augmentation project; plan implementation in
27 the Fishtrap watershed; and the development of a water bank.

28 ~~((15))~~ (14) \$215,000 of the general fund--state appropriation for
29 fiscal year 2010 and \$235,000 of the general fund--state appropriation
30 for fiscal year 2011 are provided solely to provide watershed planning
31 implementation grants for WRIA 32 to implement Substitute House Bill
32 No. 1580 (pilot local water management program). If the bill is not
33 enacted by June 30, 2009, the amounts provided in this subsection shall
34 lapse.

35 ~~((16))~~ (15) \$200,000 of the general fund--state appropriation for
36 fiscal year 2010 and \$200,000 of the general fund--state appropriation
37 for fiscal year 2011 are provided solely for the purpose of supporting

1 the trust water rights program and processing trust water right
2 transfer applications that improve instream flow.

3 ~~((+17))~~ (16)(a) The department shall convene a stock water working
4 group that includes: Legislators, four members representing
5 agricultural interests, three members representing environmental
6 interests, the attorney general or designee, the director of the
7 department of ecology or designee, the director of the department of
8 agriculture or designee, and affected federally recognized tribes shall
9 be invited to send participants.

10 (b) The group shall review issues surrounding the use of permit-
11 exempt wells for stock-watering purposes and may develop
12 recommendations for legislative action.

13 (c) The working group shall meet periodically and report its
14 activities and recommendations to the governor and the appropriate
15 legislative committees by December 1, 2009.

16 ~~((+19))~~ (17) \$73,000 of the water quality permit account--state
17 appropriation is provided solely to implement Substitute House Bill No.
18 1413 (water discharge fees). If the bill is not enacted by June 30,
19 2009, the amount provided in this subsection shall lapse.

20 ~~((+20))~~ (18) The department shall continue to work with the
21 Columbia Snake River irrigators' association to determine how seasonal
22 water operation and maintenance conservation can be utilized. In
23 implementing this proviso, the department shall also consult with the
24 Columbia River policy advisory group as appropriate.

25 ~~((+21))~~ (19) The department shall track any changes in costs,
26 wages, and benefits that would have resulted if House Bill No. 1716
27 (public contract living wages), as introduced in the 2009 regular
28 session of the legislature, were enacted and made applicable to
29 contracts and related subcontracts entered into, renewed, or extended
30 during the 2009-11 biennium. The department shall submit a report to
31 the house of representatives commerce and labor committee and the
32 senate labor, commerce, and consumer protection committee by December
33 1, 2011. The report shall include data on any aggregate changes in
34 wages and benefits that would have resulted during the 2009-11
35 biennium.

36 ~~((+22))~~ (20) Within amounts appropriated in this section the
37 department shall develop recommendations by December 1, 2009, for a
38 convenient and effective mercury-containing light recycling program for

1 residents, small businesses, and small school districts throughout the
2 state. The department shall consider options including but not limited
3 to, a producer-funded program, a recycler-supported or recycle fee
4 program, a consumer fee at the time of purchase, general fund
5 appropriations, or a currently existing dedicated account. The
6 department shall involve and consult with stakeholders including
7 persons who represent retailers, waste haulers, recyclers, mercury-
8 containing light manufacturers or wholesalers, cities, counties,
9 environmental organizations and other interested parties. The
10 department shall report its findings and recommendations for a
11 recycling program for mercury-containing lights to the appropriate
12 committees of the legislature by December 1, 2009.

13 ~~((+23+))~~ (21) During the 2009-11 biennium, the department shall
14 implement its cost reimbursement authority for processing water right
15 applications using a competitive bidding process. For each cost
16 reimbursement application, the department shall obtain cost proposals
17 and other necessary information from at least three prequalified costs
18 reimbursement consultants and shall select the lowest responsive
19 bidder.

20 ~~((+24+))~~ (22) \$140,000 of the freshwater aquatic algae control
21 account--state appropriation is provided solely for grants to cities,
22 counties, tribes, special purpose districts, and state agencies for
23 capital and operational expenses used to manage and study excessive
24 saltwater algae with an emphasis on the periodic accumulation of sea
25 lettuce on Puget Sound beaches.

26 ~~((+25+))~~ (23) By December 1, 2009, the department in consultation
27 with local governments shall conduct a remedial action grant financing
28 alternatives report. The report shall address options for financing the
29 remedial action grants identified in the department's report, entitled
30 "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing
31 Plan" and shall include but not be limited to the following: (a)
32 Capitalizing cleanup costs using debt insurance; (b) capitalizing
33 cleanup costs using prefunded cost-cap insurance; (c) other contractual
34 instruments with local governments; and (d) an assessment of overall
35 economic benefits of the remedial action grants funded using the
36 instruments identified in this section.

1 **Sec. 302.** 2009 c 564 s 303 (uncodified) is amended to read as
2 follows:

3 **FOR THE STATE PARKS AND RECREATION COMMISSION**

| | | |
|----|--|--------------------------------|
| 4 | General Fund--State Appropriation (FY 2010) | ((\$23,541,000)) |
| 5 | | <u>\$23,326,000</u> |
| 6 | General Fund--State Appropriation (FY 2011) | ((\$22,944,000)) |
| 7 | | <u>\$22,729,000</u> |
| 8 | General Fund--Federal Appropriation | \$5,902,000 |
| 9 | General Fund--Private/Local Appropriation | \$73,000 |
| 10 | Winter Recreation Program Account--State | |
| 11 | Appropriation | \$1,558,000 |
| 12 | Off Road Vehicle Account--State Appropriation | \$239,000 |
| 13 | Snowmobile Account--State Appropriation | \$4,842,000 |
| 14 | Aquatic Lands Enhancement Account--State Appropriation | \$363,000 |
| 15 | Recreation Resources Account--State Appropriation | \$9,802,000 |
| 16 | NOVA Program Account--State Appropriation | \$9,560,000 |
| 17 | Parks Renewal and Stewardship Account--State | |
| 18 | Appropriation | ((\$73,278,000)) |
| 19 | | <u>\$71,778,000</u> |
| 20 | Parks Renewal and Stewardship Account-- | |
| 21 | Private/Local Appropriation | \$300,000 |
| 22 | TOTAL APPROPRIATION | ((\$152,402,000)) |
| 23 | | <u>\$150,472,000</u> |

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

26 (1) \$79,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$79,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for a grant for the operation of
29 the Northwest avalanche center.

30 ((+3)) (2) Proceeds received from voluntary donations given by
31 motor vehicle registration applicants shall be used solely for the
32 operation and maintenance of state parks.

33 ((+5)) (3) With the passage of Substitute House Bill No. 2339
34 (state parks system donation), the legislature finds that it has
35 provided sufficient funds to ensure that all state parks remain open
36 during the 2009-11 biennium. The commission shall not close state
37 parks unless the bill is not enacted by June 30, 2009, or revenue
38 collections are insufficient to fund the ongoing operation of state

1 parks. By January 10, 2010, the commission shall provide a report to
2 the legislature on their budget and resources related to operating
3 parks for the remainder of the biennium.

4 ~~((6))~~ (4) The commission shall work with the department of
5 general administration to evaluate the commission's existing leases
6 with the intention of increasing net revenue to state parks. The
7 commission shall provide to the office of financial management and the
8 legislative fiscal committees no later than September 30, 2009, a list
9 of leases the commission proposes be managed by the department of
10 general administration.

11 **Sec. 303.** 2009 c 564 s 306 (uncodified) is amended to read as
12 follows:

13 **FOR THE CONSERVATION COMMISSION**

| | | |
|----|---|-------------------------------|
| 14 | General Fund--State Appropriation (FY 2010) | ((\$7,692,000)) |
| 15 | | <u>\$7,575,000</u> |
| 16 | General Fund--State Appropriation (FY 2011) | ((\$7,707,000)) |
| 17 | | <u>\$7,590,000</u> |
| 18 | General Fund--Federal Appropriation | \$1,179,000 |
| 19 | TOTAL APPROPRIATION | ((\$16,578,000)) |
| 20 | | <u>\$16,344,000</u> |

21 **Sec. 304.** 2009 c 564 s 307 (uncodified) is amended to read as
22 follows:

23 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

| | | |
|----|---|-------------------------------|
| 24 | General Fund--State Appropriation (FY 2010) | ((\$41,234,000)) |
| 25 | | <u>\$40,686,000</u> |
| 26 | General Fund--State Appropriation (FY 2011) | ((\$39,939,000)) |
| 27 | | <u>\$38,891,000</u> |
| 28 | General Fund--Federal Appropriation | \$86,330,000 |
| 29 | General Fund--Private/Local Appropriation | \$47,490,000 |
| 30 | Off Road Vehicle Account--State Appropriation | \$415,000 |
| 31 | Aquatic Lands Enhancement Account--State | |
| 32 | Appropriation | \$6,757,000 |
| 33 | Recreational Fisheries Enhancement--State | |
| 34 | Appropriation | \$3,640,000 |
| 35 | Warm Water Game Fish Account--State Appropriation | \$2,877,000 |
| 36 | Eastern Washington Pheasant Enhancement Account-- | |

| | | |
|----|--|----------------------------|
| 1 | State Appropriation | \$848,000 |
| 2 | Aquatic Invasive Species Enforcement Account-- | |
| 3 | State Appropriation | \$207,000 |
| 4 | Aquatic Invasive Species Prevention Account-- | |
| 5 | State Appropriation | \$844,000 |
| 6 | Wildlife Account--State Appropriation | (\$74,744,000) |
| 7 | | <u>\$76,178,000</u> |
| 8 | Game Special Wildlife Account--State Appropriation | \$2,381,000 |
| 9 | Game Special Wildlife Account--Federal Appropriation | \$8,928,000 |
| 10 | Game Special Wildlife Account--Private/Local | |
| 11 | Appropriation | \$487,000 |
| 12 | Wildlife Rehabilitation Account--State Appropriation | \$270,000 |
| 13 | Regional Fisheries Salmonid Recovery Account-- | |
| 14 | Federal Appropriation | \$5,001,000 |
| 15 | Oil Spill Prevention Account--State Appropriation | \$884,000 |
| 16 | Oyster Reserve Land Account--State Appropriation | \$918,000 |
| 17 | TOTAL APPROPRIATION | (\$324,194,000) |
| 18 | | <u>\$324,032,000</u> |

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

21 (1) \$294,000 of the aquatic lands enhancement account--state
22 appropriation is provided solely for the implementation of hatchery
23 reform recommendations defined by the hatchery scientific review group.

24 (2) \$355,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$422,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for the department to implement a
27 pilot project with the Confederated Tribes of the Colville Reservation
28 to develop expanded recreational fishing opportunities on Lake Rufus
29 Woods and its northern shoreline and to conduct joint enforcement of
30 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
31 state and tribal intergovernmental agreements developed under the
32 Columbia River water supply program. For the purposes of the pilot
33 project:

34 (a) A fishing permit issued to a nontribal member by the Colville
35 Tribes shall satisfy the license requirement of RCW 77.32.010 on the
36 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

37 (b) The Colville Tribes have agreed to provide to holders of its

1 nontribal member fishing permits a means to demonstrate that fish in
2 their possession were lawfully taken in Lake Rufus Woods;

3 (c) A Colville tribal member identification card shall satisfy the
4 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

5 (d) The department and the Colville Tribes shall jointly designate
6 fishing areas on the north shore of Lake Rufus Woods for the purposes
7 of enhancing access to the recreational fisheries on the lake; and

8 (e) The Colville Tribes have agreed to recognize a fishing license
9 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal
10 member fishing permit requirements of Colville tribal law on the
11 reservation portion of the waters of Lake Rufus Woods and at designated
12 fishing areas on the north shore of Lake Rufus Woods;

13 (3) Prior to submitting its 2011-2013 biennial operating and
14 capital budget request related to state fish hatcheries to the office
15 of financial management, the department shall contract with the
16 hatchery scientific review group (HSRG) to review this request. This
17 review shall: (a) Determine if the proposed requests are consistent
18 with HSRG recommendations; (b) prioritize the components of the
19 requests based on their contributions to protecting wild salmonid
20 stocks and meeting the recommendations of the HSRG; and (c) evaluate
21 whether the proposed requests are being made in the most cost effective
22 manner. The department shall provide a copy of the HSRG review to the
23 office of financial management with their agency budget proposal.

24 (4) Within existing funds, the department shall continue
25 implementing its capital program action plan dated September 1, 2007,
26 including the purchase of the necessary maintenance and support costs
27 for the capital programs and engineering tools. The department shall
28 report to the office of financial management and the appropriate
29 committees of the legislature, its progress in implementing the plan,
30 including improvements instituted in its capital program, by September
31 30, 2011.

32 ~~((+6))~~ (5) \$1,232,000 of the state wildlife account--state
33 appropriation is provided solely to implement Substitute House Bill No.
34 1778 (fish and wildlife). If the bill is not enacted by June 30, 2009,
35 the amount provided in this subsection shall lapse.

36 ~~((+7))~~ (6) \$400,000 of the general fund--state appropriation for
37 fiscal year 2010 and \$400,000 of the general fund--state appropriation

1 for fiscal year 2011 are provided solely for a state match to support
2 the Puget Sound nearshore partnership between the department and the
3 U.S. army corps of engineers.

4 ~~((+8))~~ (7) \$100,000 of the general fund--state appropriation for
5 fiscal year 2010 and \$100,000 of the general fund--state appropriation
6 for fiscal year 2011 are provided solely for removal of derelict gear
7 in Washington waters.

8 ~~((+9))~~ (8) The department of fish and wildlife shall dispose of
9 all fixed wing aircraft it currently owns. The proceeds from the
10 aircraft shall be deposited into the state wildlife account. Disposal
11 of the aircraft must occur no later than June 30, 2010.

12 ~~((+10))~~ (9) \$50,000 of the general fund--state appropriation for
13 fiscal year 2010 is provided solely for an electron project fish
14 passage study consistent with the recommendations and protocols
15 contained in the 2008 electron project downstream fish passage final
16 report.

17 ~~((+11))~~ (10) \$60,000 of the general fund--state appropriation for
18 fiscal year 2010 and \$60,000 of the general fund--state appropriation
19 for fiscal year 2011 are provided solely for implementation of
20 Engrossed Second Substitute Bill No. 5560 (agency climate leadership).
21 If the bill is not enacted by June 30, 2009, the amounts provided in
22 this subsection shall lapse.

23 ~~((+12))~~ (11) If sufficient new revenues are not identified to
24 continue hatchery operations, within the constraints of legally binding
25 tribal agreements, the department shall dispose of, by removal, sale,
26 lease, reversion, or transfer of ownership, the following hatcheries:
27 McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock.
28 Disposal of the hatcheries must occur by June 30, 2011, and any
29 proceeds received from disposal shall be deposited in the state
30 wildlife account. Within available funds, the department shall provide
31 quarterly reports on the progress of disposal to the office of
32 financial management and the appropriate fiscal committees of the
33 legislature. The first report shall be submitted no later than
34 September 30, 2009.

35 ~~((+13))~~ (12) \$100,000 of the eastern Washington pheasant
36 enhancement account--state appropriation is provided solely for the
37 department to support efforts to enhance permanent and temporary
38 pheasant habitat on public and private lands in Grant, Franklin, and

1 Adams counties. The department may support efforts by entities
2 including conservation districts, nonprofit organizations, and
3 landowners, and must require such entities to provide significant
4 nonstate matching resources, which may be in the form of funds,
5 material, or labor.

6 **Sec. 305.** 2009 c 564 s 309 (uncodified) is amended to read as
7 follows:

8 **FOR THE DEPARTMENT OF AGRICULTURE**

| | | |
|----|---|-------------------------------|
| 9 | General Fund--State Appropriation (FY 2010) | ((\$12,616,000)) |
| 10 | | <u>\$12,329,000</u> |
| 11 | General Fund--State Appropriation (FY 2011) | ((\$12,295,000)) |
| 12 | | <u>\$11,271,000</u> |
| 13 | General Fund--Federal Appropriation | \$11,565,000 |
| 14 | General Fund--Private/Local Appropriation | \$194,000 |
| 15 | Aquatic Lands Enhancement Account--State | |
| 16 | Appropriation | \$2,559,000 |
| 17 | State Toxics Control Account--State Appropriation | \$4,298,000 |
| 18 | Water Quality Permit Account--State Appropriation | \$61,000 |
| 19 | TOTAL APPROPRIATION | ((\$43,588,000)) |
| 20 | | <u>\$42,277,000</u> |

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

23 (1) \$350,000 of the aquatic lands enhancement account appropriation
24 is provided solely for funding to the Pacific county noxious weed
25 control board to eradicate remaining spartina in Willapa Bay.

26 (2) \$19,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$6,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely to implement Substitute Senate
29 Bill No. 5797 (solid waste handling permits). If the bill is not
30 enacted by June 30, 2009, the amounts provided in this subsection shall
31 lapse.

32 (3) The department is authorized to establish or increase the
33 following fees in the 2009-11 biennium as necessary to meet the actual
34 costs of conducting business: Christmas tree grower licensing, nursery
35 dealer licensing, plant pest inspection and testing, and commission
36 merchant licensing.

1 **Sec. 306.** 2009 c 564 s 311 (uncodified) is amended to read as
2 follows:

3 **FOR THE PUGET SOUND PARTNERSHIP**

| | | |
|----|--|-------------------------------|
| 4 | General Fund--State Appropriation (FY 2010) | ((\$3,223,000)) |
| 5 | | <u>\$3,172,000</u> |
| 6 | General Fund--State Appropriation (FY 2011) | ((\$3,194,000)) |
| 7 | | <u>\$3,143,000</u> |
| 8 | General Fund--Federal Appropriation | \$3,623,000 |
| 9 | Aquatic Lands Enhancement Account--State Appropriation | \$500,000 |
| 10 | State Toxics Control Account--State Appropriation | \$896,000 |
| 11 | TOTAL APPROPRIATION | ((\$11,436,000)) |
| 12 | | <u>\$11,334,000</u> |

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

15 (1) \$305,000 of the general fund--state appropriation for fiscal
16 year 2010 is provided solely for measuring water and habitat quality to
17 determine watershed health and assist salmon recovery.

18 (2) \$896,000 of the state toxics control account--state
19 appropriation is provided solely for activities that contribute to
20 Puget Sound protection and recovery, including provision of independent
21 advice and assessment of the state's oil spill prevention,
22 preparedness, and response programs, including review of existing
23 activities and recommendations for any necessary improvements. The
24 partnership may carry out this function through an existing committee,
25 such as the ecosystem coordination board or the leadership council, or
26 may appoint a special advisory council. Because this is a unique
27 statewide program, the partnership may invite participation from
28 outside the Puget Sound region.

29 (3) Within the amounts appropriated in this section, the Puget
30 Sound partnership shall facilitate an ongoing monitoring consortium to
31 integrate monitoring efforts for storm water, water quality, watershed
32 health, and other indicators to enhance monitoring efforts in Puget
33 Sound.

34 (4) The Puget Sound partnership shall work with Washington State
35 University and the environmental protection agency to secure funding
36 for the beach watchers program.

37 (5) \$877,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$877,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely to support public education and
2 volunteer programs. The partnership is directed to distribute the
3 majority of funding as grants to local organizations, local
4 governments, and education, communication, and outreach network
5 partners. The partnership shall track progress for this activity
6 through the accountability system of the Puget Sound partnership.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2009 c 564 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

| | |
|---|---------------------------------|
| General Fund--State Appropriation (FY 2010) | (((\$1,668,000))) |
| | <u>\$1,436,000</u> |
| General Fund--State Appropriation (FY 2011) | (((\$1,712,000))) |
| | <u>\$1,535,000</u> |
| Architects' License Account--State Appropriation | (((\$1,056,000))) |
| | <u>\$767,000</u> |
| Professional Engineers' Account--State Appropriation | \$3,586,000 |
| Real Estate Commission Account--State Appropriation | \$10,047,000 |
| Master License Account--State Appropriation | \$15,718,000 |
| Uniform Commercial Code Account--State Appropriation | \$3,100,000 |
| Real Estate Education Account--State Appropriation | \$276,000 |
| Real Estate Appraiser Commission Account--State | |
| Appropriation | \$1,692,000 |
| Business and Professions Account--State Appropriation | \$15,270,000 |
| Real Estate Research Account--State Appropriation | \$320,000 |
| Geologists' Account--State Appropriation | \$53,000 |
| Derelict Vessel Removal Account--State Appropriation | \$31,000 |
| TOTAL APPROPRIATION | (((\$55,828,000))) |
| | <u>\$53,831,000</u> |

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

(1) Pursuant to RCW 43.135.055, the department is authorized to increase fees for cosmetologists, funeral directors, cemeteries, court reporters and appraisers. These increases are necessary to support the expenditures authorized in this section, consistent with RCW 43.24.086.

(2) \$1,352,000 of the business and professions account--state appropriation is provided solely to implement Substitute Senate Bill No. 5391 (tattoo and body piercing). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(((4))) (3) \$358,000 of the business and professions account--state

1 appropriation is provided solely to implement Senate Bill No. 6126
2 (professional athletics). If the bill is not enacted by June 30, 2009,
3 the amount provided in this subsection shall lapse.

4 **Sec. 402.** 2009 c 564 s 402 (uncodified) is amended to read as
5 follows:

6 **FOR THE STATE PATROL**

| | | |
|----|---|--------------------------------|
| 7 | General Fund--State Appropriation (FY 2010) | ((\$41,468,000)) |
| 8 | | <u>\$40,668,000</u> |
| 9 | General Fund--State Appropriation (FY 2011) | ((\$40,366,000)) |
| 10 | | <u>\$39,566,000</u> |
| 11 | General Fund--Federal Appropriation | \$11,401,000 |
| 12 | General Fund--Private/Local Appropriation | \$3,568,000 |
| 13 | Death Investigations Account--State Appropriation | \$6,022,000 |
| 14 | Enhanced 911 Account--State Appropriation | \$589,000 |
| 15 | County Criminal Justice Assistance Account--State | |
| 16 | Appropriation | \$3,122,000 |
| 17 | Municipal Criminal Justice Assistance Account--State | |
| 18 | Appropriation | \$1,245,000 |
| 19 | Fire Service Trust Account--State Appropriation | \$131,000 |
| 20 | Disaster Response Account--State Appropriation | \$8,002,000 |
| 21 | Fire Service Training Account--State Appropriation | \$8,717,000 |
| 22 | Aquatic Invasive Species Enforcement Account--State | |
| 23 | Appropriation | \$54,000 |
| 24 | State Toxics Control Account--State Appropriation | \$504,000 |
| 25 | Fingerprint Identification Account--State Appropriation | \$7,371,000 |
| 26 | TOTAL APPROPRIATION | ((\$132,560,000)) |
| 27 | | <u>\$130,960,000</u> |

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

30 (1) \$200,000 of the fire service training account--state
31 appropriation is provided solely for two FTEs in the office of the
32 state director of fire protection to exclusively review K-12
33 construction documents for fire and life safety in accordance with the
34 state building code. It is the intent of this appropriation to provide
35 these services only to those districts that are located in counties
36 without qualified review capabilities.

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

9 (~~(4)~~) (3) The 2010 legislature will review the use of king air
10 planes by the executive branch and the adequacy of funding in this
11 budget regarding maintaining and operating the planes to successfully
12 accomplish their mission.

13 (~~(5)~~) (4) The appropriations in this section reflect reductions
14 in the appropriations for the agency's administrative expenses. It is
15 the intent of the legislature that these reductions shall be achieved,
16 to the greatest extent possible, by reducing those administrative costs
17 that do not affect direct client services or direct service delivery or
18 programs.

19 (~~(6)~~) (5) \$400,000 of the fire service training account--state
20 appropriation is provided solely for the firefighter apprenticeship
21 training program.

22 (~~(7)~~) (6) \$48,000 of the fingerprint identification account--
23 state appropriation is provided solely to implement Substitute House
24 Bill No. 1621 (consumer loan companies). If the bill is not enacted by
25 June 30, 2009, the amounts provided in this subsection shall lapse.

(End of part)

PART V
EDUCATION

Sec. 501. 2009 c 564 s 513 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS

| | |
|--|----------------------|
| General Fund--State Appropriation (FY 2010) | (\$95,181,000) |
| | <u>\$93,681,000</u> |
| General Fund--State Appropriation (FY 2011) | \$102,512,000 |
| General Fund--Federal Appropriation | \$152,626,000 |
| Education Legacy Trust Account--State Appropriation | \$95,112,000 |
| TOTAL APPROPRIATION | (\$445,431,000) |
| | <u>\$443,931,000</u> |

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

(1) \$36,806,000 of the general fund--state appropriation for fiscal year 2010, \$34,516,000 of the general fund--state appropriation for fiscal year 2011, \$1,350,000 of the education legacy trust account--state appropriation, and \$15,868,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington assessments of student learning (WASL), including: (i) Development and implementation of retake assessments for high school students who are not successful in one or more content areas of the WASL; and (ii) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student WASL results, on or around June 10th of each year.

(2) \$3,249,000 of the general fund--state appropriation for fiscal year 2010 and \$3,249,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the design of the state

1 assessment system and the implementation of end of course assessments
2 for high school math.

3 (3) \$1,014,000 of the education legacy trust account appropriation
4 is provided solely for allocations to districts for salaries and
5 benefits for the equivalent of two additional professional development
6 days for fourth and fifth grade teachers during the 2008-2009 school
7 year. The allocations shall be made based on the calculations of
8 certificated instructional staff units for fourth and fifth grade
9 provided in section 502 of this act and on the calculations of
10 compensation provided in sections 503 and 504 of this act. Districts
11 may use the funding to support additional days for professional
12 development as well as job-embedded forms of professional development.

13 (4) \$3,241,000 of the education legacy trust fund appropriation is
14 provided solely for allocations to districts for salaries and benefits
15 for the equivalent of three additional professional development days
16 for middle and high school math and science teachers during the 2008-
17 2009 school year, as well as specialized training for one math and
18 science teacher in each middle school and high school during the 2008-
19 2009 school year. Districts may use the funding to support additional
20 days for professional development as well as job-embedded forms of
21 professional development.

22 (5) \$3,850,000 of the education legacy trust account--state
23 appropriation is provided solely for a math and science instructional
24 coaches program pursuant to chapter 396, Laws of 2007. Funding shall
25 be used to provide grants to schools and districts to provide salaries,
26 benefits, and professional development activities for up to twenty-five
27 instructional coaches in middle and high school math and twenty-five
28 instructional coaches in middle and high school science in each year of
29 the biennium; and up to \$300,000 may be used by the office of the
30 superintendent of public instruction to administer and coordinate the
31 program.

32 (6) \$1,781,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$1,943,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely to allow approved middle and
35 junior high school career and technical education programs to receive
36 enhanced vocational funding. The office of the superintendent of
37 public instruction shall provide allocations to districts for middle
38 and junior high school students in accordance with the funding formulas

1 provided in section 502 of this act. If Second Substitute Senate Bill
2 No. 5676 is enacted the allocations are formula-driven, otherwise the
3 office of the superintendent shall consider the funding provided in
4 this subsection as a fixed amount, and shall adjust funding to stay
5 within the amounts provided in this subsection.

6 (7) \$139,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$139,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for (a) staff at the office of the
9 superintendent of public instruction to coordinate and promote efforts
10 to develop integrated math, science, technology, and engineering
11 programs in schools and districts across the state; and (b) grants of
12 \$2,500 to provide twenty middle and high school teachers each year
13 professional development training for implementing integrated math,
14 science, technology, and engineering program in their schools.

15 (8) \$1,579,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$1,579,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the Washington state
18 leadership and assistance for science education reform (LASER) regional
19 partnership activities coordinated at the Pacific science center,
20 including instructional material purchases, teacher and principal
21 professional development, and school and community engagement events.
22 Funding shall be distributed to the various LASER activities in a
23 manner proportional to LASER program spending during the 2007-2009
24 biennium.

25 (9) \$81,010,000 of the education legacy trust account--state
26 appropriation is provided solely for grants for voluntary full-day
27 kindergarten at the highest poverty schools, as provided in chapter
28 400, Laws of 2007. The office of the superintendent of public
29 instruction shall provide allocations to districts for recipient
30 schools in accordance with the funding formulas provided in section 502
31 of this act. Each kindergarten student who enrolls for the voluntary
32 full-day program in a recipient school shall count as one-half of one
33 full-time equivalent student for the purpose of making allocations
34 under this subsection. Although the allocations are formula-driven,
35 the office of the superintendent shall consider the funding provided in
36 this subsection as a fixed amount, and shall limit the number of
37 recipient schools so as to stay within the amounts appropriated each
38 fiscal year in this subsection. The funding provided in this

1 subsection is estimated to provide full-day kindergarten programs for
2 20 percent of kindergarten enrollment. Funding priority shall be given
3 to schools with the highest poverty levels, as measured by prior year
4 free and reduced priced lunch eligibility rates in each school.
5 Additionally, as a condition of funding, school districts must agree to
6 provide the full-day program to the children of parents who request it
7 in each eligible school. For the purposes of calculating a school
8 district levy base, funding provided in this subsection shall be
9 considered a state block grant program under RCW 84.52.0531.

10 (a) Of the amounts provided in this subsection, a maximum of
11 \$272,000 may be used for administrative support of the full-day
12 kindergarten program within the office of the superintendent of public
13 instruction.

14 (b) Student enrollment pursuant to this program shall not be
15 included in the determination of a school district's overall K-12 FTE
16 for the allocation of student achievement programs and other funding
17 formulas unless specifically stated.

18 (10) \$700,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$900,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for the development of a
21 leadership academy for school principals and administrators. The
22 superintendent of public instruction shall contract with an independent
23 organization to design, field test, and implement a state-of-the-art
24 education leadership academy that will be accessible throughout the
25 state. Initial development of the content of the academy activities
26 shall be supported by private funds. Semiannually the independent
27 organization shall report on amounts committed by foundations and
28 others to support the development and implementation of this program.
29 Leadership academy partners, with varying roles, shall include the
30 state level organizations for school administrators and principals, the
31 superintendent of public instruction, the professional educator
32 standards board, and others as the independent organization shall
33 identify.

34 (11) \$105,754,000 of the general fund--federal appropriation is
35 provided for preparing, training, and recruiting high quality teachers
36 and principals under Title II of the no child left behind act.

37 (12) (~~(\$3,046,000)~~) \$1,546,000 of the general fund--state
38 appropriation for fiscal year 2010 and \$3,046,000 of the general fund--

1 state appropriation for fiscal year 2011 are provided solely to the
2 office of the superintendent of public instruction for focused
3 assistance. The office of the superintendent of public instruction
4 shall conduct educational audits of low-performing schools and enter
5 into performance agreements between school districts and the office to
6 implement the recommendations of the audit and the community. Funding
7 in this subsection may be used for focused assistance programs for
8 individual schools as well as school districts.

9 (13) \$30,702,000 of the general fund--federal appropriation is
10 provided for the reading first program under Title I of the no child
11 left behind act.

12 (14) \$1,667,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$1,667,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely to eliminate the lunch co-pay for
15 students in grades kindergarten through third grade that are eligible
16 for reduced price lunch.

17 (15) \$5,285,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$5,285,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for: (a) The meals for kids
20 program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the
21 breakfast co-pay for students eligible for reduced price lunch; and (c)
22 for additional assistance for school districts initiating a summer food
23 service program.

24 (16) \$1,056,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$1,056,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for the Washington reading corps.
27 The superintendent shall allocate reading corps members to low-
28 performing schools and school districts that are implementing
29 comprehensive, proven, research-based reading programs. Two or more
30 schools may combine their Washington reading corps programs. Grants
31 provided under this section may be used by school districts for
32 expenditures from September 2009 through August 31, 2011.

33 (17) \$3,594,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$3,594,000 of the general fund--state appropriation for
35 fiscal year 2011 are provided solely for grants to school districts to
36 provide a continuum of care for children and families to help children
37 become ready to learn. Grant proposals from school districts shall
38 contain local plans designed collaboratively with community service

1 providers. If a continuum of care program exists in the area in which
2 the school district is located, the local plan shall provide for
3 coordination with existing programs to the greatest extent possible.
4 Grant funds shall be allocated pursuant to RCW 70.190.040.

5 (18) \$1,959,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$1,959,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for improving technology
8 infrastructure, monitoring and reporting on school district technology
9 development, promoting standards for school district technology,
10 promoting statewide coordination and planning for technology
11 development, and providing regional educational technology support
12 centers, including state support activities, under chapter 28A.650 RCW.

13 (19) \$225,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$225,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the operation of the center
16 for the improvement of student learning pursuant to RCW 28A.300.130.

17 (20) \$250,000 of the education legacy trust account--state
18 appropriation is provided solely for costs associated with the office
19 of the superintendent of public instruction's statewide director of
20 technology position.

21 (21)(a) \$28,270,000 of the general fund--state appropriation for
22 fiscal year 2010 and \$36,513,000 of the general fund--state
23 appropriation for fiscal year 2011 are provided solely for the
24 following bonuses for teachers who hold valid, unexpired certification
25 from the national board for professional teaching standards and who are
26 teaching in a Washington public school, subject to the following
27 conditions and limitations:

28 (i) For national board certified teachers, a bonus of \$5,000 per
29 teacher beginning in the 2007-08 school year and adjusted for inflation
30 in each school year thereafter in which Initiative 732 cost of living
31 adjustments are provided. National board certified teachers who become
32 public school principals shall continue to receive this bonus for as
33 long as they are principals and maintain the national board
34 certification;

35 (ii) An additional \$5,000 annual bonus shall be paid to national
36 board certified teachers who teach in either: (A) High schools where
37 at least 50 percent of student headcount enrollment is eligible for
38 federal free or reduced price lunch, (B) middle schools where at least

1 60 percent of student headcount enrollment is eligible for federal free
2 or reduced price lunch, or (C) elementary schools where at least 70
3 percent of student headcount enrollment is eligible for federal free or
4 reduced price lunch;

5 (iii) The superintendent of public instruction shall adopt rules to
6 ensure that national board certified teachers meet the qualifications
7 for bonuses under (a)(ii) of this subsection for less than one full
8 school year receive bonuses in a pro-rated manner; and

9 (iv) During the 2009-10 and 2010-11 school years, and within the
10 available appropriation, certificated instructional staff who have met
11 the eligibility requirements and have applied for certification from
12 the national board for professional teaching standards may receive a
13 conditional two thousand dollars or the amount set by the office of the
14 superintendent of public instruction to contribute toward the current
15 assessment fee, not including the initial up-front candidacy payment.
16 The fee shall be an advance on the first annual bonus under RCW
17 28A.405.415. The assessment fee for national certification is provided
18 in addition to compensation received under a district's salary schedule
19 adopted in accordance with RCW 28A.405.200 and shall not be included in
20 calculations of a district's average salary and associated salary
21 limitation under RCW 28A.400.200. Recipients who fail to receive
22 certification after three years are required to repay the assessment
23 fee, not including the initial up-front candidacy payment, as set by
24 the national board for professional teaching standards and administered
25 by the office of the superintendent of public instruction. The office
26 of the superintendent of public instruction shall adopt rules to define
27 the terms for initial grant of the assessment fee and repayment,
28 including applicable fees.

29 (b) Included in the amounts provided in this subsection are amounts
30 for mandatory fringe benefits.

31 (22) \$2,750,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$2,750,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for secondary career and technical
34 education grants pursuant to chapter 170, Laws of 2008. This funding
35 may additionally be used to support FIRST Robotics programs.

36 (23) \$300,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$300,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the local farms-healthy kids
2 program as described in chapter 215, Laws of 2008.

3 (24) \$2,348,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$2,348,000 of the general fund--state appropriation for
5 fiscal year 2011 are appropriated for a beginning educator support
6 program. School districts and/or regional consortia may apply for
7 grant funding beginning in the 2009-10 school year. The superintendent
8 shall implement this program in 5 to 15 school districts and/or
9 regional consortia. The program provided by a district and/or regional
10 consortia shall include: A paid orientation; assignment of a qualified
11 mentor; development of a professional growth plan for each beginning
12 teacher aligned with professional certification; release time for
13 mentors and new teachers to work together, and teacher observation time
14 with accomplished peers. \$250,000 may be used to provide state-wide
15 professional development opportunities for mentors and beginning
16 educators. The superintendent of public instruction shall adopt rules
17 to establish and operate a research-based beginning educator support
18 program no later than August 31, 2009. OSPI must evaluate the
19 program's progress and may contract for this work. A report to the
20 legislature about the beginning educator support program is due
21 November 1, 2010.

22 (25) \$4,400,000 of the education legacy trust account--state
23 appropriation is provided solely for the development and implementation
24 of diagnostic assessments, consistent with the recommendations of the
25 Washington assessment of student learning work group.

26 (26) \$70,000 of the general fund--state appropriation for fiscal
27 year 2010 is provided solely for implementation of Engrossed Substitute
28 Senate Bill No. 5414 (statewide assessments and curricula).

29 (27) \$530,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$530,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the leadership internship
32 program for superintendents, principals, and program administrators.

(End of part)

PART VI
MISCELLANEOUS

3 NEW SECTION. **Sec. 601.** A new section is added to 2009 c 564
4 (uncodified) to read as follows:

5 NEW HIRES. (1) From the effective date of this section until July
6 1, 2011, state agencies of the legislative, executive, and judicial
7 branches shall not establish new staff positions or fill vacant
8 existing staff positions except as specifically authorized by this
9 section.

10 (2) The following activities of state agencies are exempt from
11 subsection (1) of this section:

12 (a) Direct custody, supervision, and patient care in corrections,
13 juvenile rehabilitation, institutional care of veterans, the mentally
14 ill, developmentally disabled, state hospitals, the special commitment
15 center, and the schools for the blind and the deaf;

16 (b) Direct protective services to children and other vulnerable
17 populations in the department of social and health services;

18 (c) Washington state patrol investigative services and field
19 enforcement;

20 (d) Hazardous materials response and emergency cleanup;

21 (e) Emergency public health and patient safety response and the
22 public health laboratory;

23 (f) Military operations and emergency management within the
24 military department;

25 (g) Firefighting;

26 (h) Enforcement officers in the department of fish and wildlife,
27 the liquor control board, the gambling commission, and the department
28 of natural resources;

29 (i) Park rangers at the parks and recreation commission;

30 (j) Seasonal employment by natural resources agencies to the extent
31 that employment levels do not exceed the prior fiscal year;

32 (k) Seasonal employment in the department of transportation
33 maintenance programs to the extent that employment levels do not exceed
34 the prior fiscal year;

35 (l) Employees hired on a seasonal basis by the department of

1 agriculture for inspection and certification of agricultural products
2 and for insect detection;

3 (m) Activities directly related to tax and fee collection, revenue
4 generation, auditing, and recovery;

5 (n) In institutions of higher education, any positions directly
6 related to academic programs, as well as positions not funded from
7 state funds or tuition, positions that are filled by enrolled students
8 at their own institution as student workers, positions in campus police
9 and security, positions related to emergency management and response,
10 and positions related to student health care and counseling;

11 (o) Operations of the state lottery and liquor control board
12 business enterprises;

13 (p) The unemployment insurance program of the employment security
14 department; and

15 (q) Activities that are necessary to receive or maintain federal
16 funds by the state.

17 (3) The exemptions specified in subsection (2) of this section do
18 not require the establishment of new staff positions or the filling of
19 vacant staff positions in the activities specified.

20 (4) Exceptions to this section may be granted under section 605 of
21 this act.

22 NEW SECTION. **Sec. 602.** A new section is added to 2009 c 564
23 (uncodified) to read as follows:

24 NEW PERSONAL SERVICES CONTRACTS. (1) From the effective date of
25 this section until July 1, 2011, state agencies of the legislative,
26 executive, and judicial branches shall not enter into any contracts or
27 other agreements entered into for the acquisition of personal services
28 not related to an emergency or other catastrophic event that requires
29 government action to protect life or public safety.

30 (2) This section does not apply to personal services contracts or
31 other agreements for the acquisition of personal services where the
32 costs are funded exclusively from private or federal grants, where the
33 costs are for tax and fee collection, where the costs are for revenue
34 generation and auditing activities, where the costs are for the review
35 and research conducted by the joint transportation committee pursuant
36 to RCW 44.04.300, where the costs are necessary to receive or maintain
37 federal funds by the state, or, in institutions of higher education,

1 where the costs are not funded from state funds or tuition. This
2 section also does not apply where costs are related to hearing
3 officers, where costs are related to real estate appraisals or habitat
4 assessments, where costs are related to carrying out a court order, or
5 where costs are related to information technology contracts related to
6 an information services board approved information technology project,
7 or where costs are related to judicial information system technology
8 projects.

9 (3) Exceptions to this section may be granted under section 605 of
10 this act.

11 NEW SECTION. **Sec. 603.** A new section is added to 2009 c 564
12 (uncodified) to read as follows:

13 EQUIPMENT PURCHASES. (1) From the effective date of this section
14 until July 1, 2011, state agencies of the legislative, executive, and
15 judicial branches shall not enter into any contracts or other
16 agreements for the acquisition of any item of equipment the cost of
17 which exceeds five thousand dollars and is not related to an emergency
18 or other catastrophic event that requires government action to protect
19 life or public safety.

20 (2) This section does not apply to the unemployment insurance
21 program of the employment security department, to costs that are for
22 tax and fee collection, for revenue generation and audit activities, or
23 for receiving or maintaining federal funds by the state, or, in
24 institutions of higher education, to costs not funded from state funds
25 or tuition. This section also does not apply to costs that are funded
26 exclusively from private or federal grants, or for equipment necessary
27 to complete a project funded in the omnibus capital or transportation
28 appropriation acts, or the operational divisions of the department of
29 information services, or cost related to the continuation, renewal, or
30 establishment of maintenance for existing computer software licensing
31 and existing computer hardware, or for costs related to the judicial
32 information system.

33 (3) Exceptions to this section may be granted under section 605 of
34 this act.

35 NEW SECTION. **Sec. 604.** A new section is added to 2009 c 564
36 (uncodified) to read as follows:

1 STATE EMPLOYEE TRAVEL AND TRAINING. (1) State agencies of the
2 legislative, executive, and judicial branches shall not make
3 expenditures for the cost or reimbursement of out-of-state travel or
4 out-of-state training by state employees where the travel or training
5 is not related to an emergency or other catastrophic event that
6 requires government action to protect life or public safety, or direct
7 service delivery, and the travel or training occurs after the effective
8 date of this section and before July 1, 2011.

9 (2) This section does not apply to travel expenditures when the
10 costs are funded exclusively from private or federal grants. This
11 section does not apply to the unemployment insurance program of the
12 employment security department, to costs that are for tax and fee
13 collection, for revenue generation and audit activities, or for
14 receiving or maintaining federal funds by the state, or, in
15 institutions of higher education, to costs not funded from state funds
16 or tuition. This section also does not apply to costs related to
17 carrying out a court order or to costs to travel by air into Washington
18 state from any airport located in a contiguous state of which the
19 largest city is part of a metropolitan statistical area with a city
20 located in Washington state, or to motor vehicle and parking costs for
21 single day travel to a contiguous state or British Columbia, Canada.

22 (3) Exceptions to this section may be granted under section 605 of
23 this act.

24 NEW SECTION. **Sec. 605.** A new section is added to 2009 c 564
25 (uncodified) to read as follows:

26 EXCEPTIONS. (1) Exceptions to sections 601 through 604 of this act
27 may be granted for the critically necessary work of an agency as
28 provided in this section.

29 (2) For agencies of the executive branch, the exceptions shall be
30 subject to approval by the director of financial management or the
31 director's designee. For agencies of the judicial branch, the
32 exceptions shall be subject to approval of the chief justice of the
33 supreme court. For the house of representatives and the senate, the
34 exceptions shall be subject to approval of the chief clerk of the house
35 of representatives and the secretary of the senate, respectively, under
36 the direction of the senate committee on facilities and operations and
37 the executive rules committee of the house of representatives. For

1 other legislative agencies, the exceptions shall be subject to approval
2 of both the chief clerk of the house of representatives and the
3 secretary of the senate under the direction of the senate committee on
4 facilities and operations and the executive rules committee of the
5 house of representatives.

6 (3) Exceptions approved under subsection (2) of this section shall
7 take effect no sooner than five business days following notification of
8 the chair and ranking minority member of the ways and means committees
9 in the house of representatives and the senate. The person approving
10 exceptions under subsection (2) of this section shall send the
11 exceptions to the legislature for consideration every thirty days from
12 the effective date of this section, or earlier should volume or
13 circumstances so necessitate.

14 (4) Exceptions approved and taking effect under this section shall
15 be published electronically at least quarterly by the office of
16 financial management on the state fiscal web site.

17 (5) Sections 601 through 604 of this act do not apply to
18 agricultural commodity commissions and boards, and agricultural
19 inspection programs operated by the department of agriculture.

20 NEW SECTION. **Sec. 606.** If any provision of this act or its
21 application to any person or circumstance is held invalid, the
22 remainder of the act or the application of the provision to other
23 persons or circumstances is not affected.

24 NEW SECTION. **Sec. 607.** This act is necessary for the immediate
25 preservation of the public peace, health, or safety, or support of the
26 state government and its existing public institutions, and takes effect
27 immediately, except for sections 601 through 605 of this act which take
28 effect thirty days after the effective date of this act.

(End of part)

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| Passed by the House February 10, 2010. | |
| Passed by the Senate February 9, 2010. | |
| Approved by the Governor February 15, 2010. | |
| Filed in Office of Secretary of State February 16, 2010. | |