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**BILL REQUEST - CODE REVISER'S OFFICE**

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BILL REQ. #: H-4768.3/02 3rd draft

ATTY/TYPIST: LL:mos

BRIEF DESCRIPTION: Making 2001-03 biennium supplemental operating appropriations.

1 AN ACT Relating to fiscal matters; amending RCW 9.46.100,  
2 19.28.351, 38.52.106, 38.52.540, 43.10.220, 43.30.360, 43.70.320,  
3 43.79.480, 43.83B.430, 43.88.030, 43.320.110, 48.02.190, 50.20.190,  
4 51.44.170, 66.08.170, 66.08.235, 67.70.260, 70.146.030, and 80.01.080;  
5 reenacting and amending RCW 50.16.010 and 69.50.520; amending 2001 2nd  
6 sp.s. c 7 ss 101, 102, 103, 104, 105, 106, 107, 109, 110, 111, 112,  
7 113, 114, 115, 116, 117, 118, 119, 120, 121, 123, 124, 125, 126, 127,  
8 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 142, 143,  
9 144, 148, 149, 150, 151, 152, 153, 201, 202, 203, 204, 205, 206, 207,  
10 208, 209, 210, 211, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222,  
11 223, 224, 302, 303, 304, 306, 307, 308, 309, 401, 402, 501, 502, 503,  
12 504, 505, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 519,  
13 521, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613,  
14 614, 615, 616, 617, 618, 619, 701, 702, 703, 704, 705, 706, 708, 716,  
15 717, 719, 720, 722, 723, 724, 727, 728, 729, 730, 801, and 805  
16 (uncodified); adding new sections to 2001 2nd sp.s. c 7 (uncodified);  
17 making appropriations; and declaring an emergency.

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

PART I

GENERAL GOVERNMENT

Sec. 101. 2001 2nd sp.s. c 7 s 101 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2002), General Fund--State Appropriation (FY 2003), Department of Retirement Systems Expense Account-- State Appropriation, and TOTAL APPROPRIATION.

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

- (1) \$25,000 of the general fund--state appropriation is provided solely for allocation to Project Citizen, a program of the national conference of state legislatures to promote student civic involvement.
(2) \$15,000 of the general fund--state appropriation for fiscal year 2002 is provided for the legislature to continue the services of expert counsel on legal and policy issues relating to services for persons with developmental disabilities.

Sec. 102. 2001 2nd sp.s. c 7 s 102 (uncodified) is amended to read as follows:

FOR THE SENATE

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2002), General Fund--State Appropriation (FY 2003), Department of Retirement Systems Expense Account-- State Appropriation, and TOTAL APPROPRIATION.

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

- (1) \$25,000 of the general fund--state appropriation is provided solely for allocation to Project Citizen, a program of the national conference of state legislatures to promote student civic involvement.

1 (2) \$15,000 of the general fund--state appropriation for fiscal  
2 year 2002 is provided for the legislature to continue the services of  
3 expert counsel on legal and policy issues relating to services for  
4 persons with developmental disabilities.

5 **Sec. 103.** 2001 2nd sp.s. c 7 s 103 (uncodified) is amended to read  
6 as follows:

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

8	General Fund--State Appropriation (FY 2002) . . . \$	((2,436,000))
9		<u>2,166,000</u>
10	General Fund--State Appropriation (FY 2003) . . . \$	((1,938,000))
11		<u>2,150,000</u>
12	TOTAL APPROPRIATION . . . . . \$	((4,374,000))
13		<u>4,316,000</u>

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

16 (1) (~~(\$150,000 of the general fund--state appropriation for fiscal~~  
17 ~~year 2002 and \$75,000 of the general fund--state appropriation for~~  
18 ~~fiscal year 2003 are provided solely for the joint legislative audit~~  
19 ~~and review committee to conduct an evaluation of the client outcomes of~~  
20 ~~the high school transition program operated by the department of social~~  
21 ~~and health services division of developmental disabilities. The study~~  
22 ~~shall identify the different approaches that have been used in~~  
23 ~~providing transition services and whether some approaches are more or~~  
24 ~~less successful in helping young adults with developmental disabilities~~  
25 ~~achieve greater levels of independence. The study shall evaluate how~~  
26 ~~transition programs reduce the level of support provided to clients as~~  
27 ~~they achieve greater levels of independence, and shall be submitted to~~  
28 ~~the appropriate committees of the legislature by December 1, 2002.))~~  
29 \$130,000 of the general fund--state appropriation for fiscal year 2002  
30 and \$470,000 of the general fund--state appropriation for fiscal year  
31 2003 are provided solely for conducting a performance audit of the  
32 department of social and health services division of developmental  
33 disabilities. The audit shall determine whether the division has  
34 complied with significant laws and regulations applicable to the  
35 program and evaluate the adequacy of management processes for  
36 measuring, reporting, and monitoring program effectiveness, economy,  
37 and efficiency.

1 (a) Special emphasis shall be placed on how the division:

2 (i) Determines and monitors eligibility;

3 (ii) Determines what types and levels of services are to be  
4 provided;

5 (iii) Determines that clients are receiving services;

6 (iv) Tracks client progress and evaluates the benefits of services  
7 being provided;

8 (v) Enforces the terms of its contracts with providers; and

9 (vi) Determines it is doing an efficient and effective job of  
10 meeting its legislative mandates.

11 (b) The audit shall also include a comparison among the division of  
12 developmental disabilities and other program areas in the department of  
13 social and health services that deliver similar client services. This  
14 comparison shall cover eligibility assessment, functional needs  
15 assessment, service requirements assessment, and the linkage between  
16 assessed client needs and the agency services authorized and delivered.

17 (c) The committee shall make recommendations, as appropriate, for  
18 the improvement of services and system performance. The committee may  
19 contract for consulting services in conducting the study. Interim  
20 findings shall be submitted to the fiscal committees of the legislature  
21 by December 1, 2002. The final report shall be submitted to the  
22 legislature no later than June 30, 2003.

23 (2) \$50,000 of the general fund--state appropriation for fiscal  
24 year 2002 is provided solely for the joint legislative audit and review  
25 committee to conduct a capacity planning study of the capital  
26 facilities of the state school for the deaf. The committee's study  
27 shall be carried out in conjunction with the study of educational  
28 service delivery models conducted by the state institute for public  
29 policy. The study shall be submitted to the fiscal committees of the  
30 legislature by September 30, 2002.

31 (3) \$35,000 of the general fund--state appropriation for fiscal  
32 year 2002 is provided solely for the joint legislative audit and review  
33 committee to conduct a review of water conservancy boards. The review  
34 shall include an assessment of the operating costs of existing boards;  
35 the sources of funding for board operations; sources of in-kind support  
36 for board operations; assessment of the value of water rights subject  
37 to change or transfer decisions; the range of costs of processing water  
38 right transfer applications by the boards as well as by the department  
39 of ecology for applications filed directly with the department; the

1 costs to the department of training, assistance, and review of board  
2 recommendations on applications; board membership and board  
3 recordkeeping; and public participation procedures for both the water  
4 conservancy boards and the department of ecology. The committee shall  
5 submit its review by January 1, 2003, to the appropriate policy and  
6 fiscal committees of the legislature.

7 (4) \$40,000 of the general fund--state appropriation for fiscal  
8 year 2002 is provided solely for a follow-up review to report number  
9 98-3, the performance audit of the department of corrections. The  
10 follow-up study shall include but not be limited to a review of:

11 (a) Community supervision activities performed by the department;

12 (b) The implementation of risk-based classification and community  
13 placement models;

14 (c) The early implementation of the offender accountability act;  
15 and

16 (d) The cost impacts of the risk-based models and the offender  
17 accountability act.

18 The committee shall consult with the Washington state institute for  
19 public policy regarding data and findings from the institute's current  
20 studies on these issues. A report of the follow-up study shall be  
21 submitted to the relevant policy and fiscal committees of the  
22 legislature by December 21, 2001. Upon the completion of the follow-up  
23 review, the committee shall make a determination whether an additional  
24 phase of study is needed. If further study is indicated, the committee  
25 shall submit to the relevant policy and fiscal committees of the  
26 legislature its plan and cost estimate for such study by March 29,  
27 2002.

28 (5) \$140,000 of the general fund--state appropriation for fiscal  
29 year 2002 is provided for a study of children's mental health in  
30 Washington. The study shall include but not be limited to:

31 (a) A review of plans and services for children, including those  
32 for early periodic screening, diagnosis, and treatment;

33 (b) A review of the implementation of the plans;

34 (c) A review of the availability and reliability of fiscal,  
35 program, and outcome data relating to mental health services provided  
36 to children; and

37 (d) A survey of mental health services for children among the  
38 state's regional support networks.



1 **FOR THE OFFICE OF THE STATE ACTUARY**

2 Department of Retirement Systems Expense Account--

3	State Appropriation . . . . .	\$	(( <del>1,923,000</del> ))
4			<u>2,054,000</u>

5 The appropriation in this section is subject to the following  
6 conditions and limitations: The joint committee on pension policy, in  
7 collaboration with various interested parties, shall study issues of  
8 pension governance and recommend legislation for consideration in the  
9 2002 legislative session.

10 **Sec. 106.** 2001 2nd sp.s. c 7 s 106 (uncodified) is amended to read  
11 as follows:

12 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

13	General Fund--State Appropriation (FY 2002) . .	\$	6,421,000
14	General Fund--State Appropriation (FY 2003) . .	\$	(( <del>7,043,000</del> ))
15			<u>6,832,000</u>
16	TOTAL APPROPRIATION . . . . .	\$	(( <del>13,464,000</del> ))
17			<u>13,253,000</u>

18 **Sec. 107.** 2001 2nd sp.s. c 7 s 107 (uncodified) is amended to read  
19 as follows:

20 **FOR THE STATUTE LAW COMMITTEE**

21	General Fund--State Appropriation (FY 2002) . .	\$	3,909,000
22	General Fund--State Appropriation (FY 2003) . .	\$	(( <del>4,038,000</del> ))
23			<u>3,917,000</u>
24	TOTAL APPROPRIATION . . . . .	\$	(( <del>7,947,000</del> ))
25			<u>7,826,000</u>

26 The appropriations in this section are subject to the following  
27 conditions and limitations: \$41,000 of the general fund fiscal year  
28 2002 appropriation and \$43,000 of the general fund fiscal year 2003  
29 appropriation are provided solely for the uniform legislation  
30 commission.

31 **Sec. 108.** 2001 2nd sp.s. c 7 s 109 (uncodified) is amended to read  
32 as follows:

33 **FOR THE SUPREME COURT**

34	General Fund--State Appropriation (FY 2002) . .	\$	(( <del>5,423,000</del> ))
35			<u>5,500,000</u>



1 General Fund--State Appropriation (FY 2003) . . \$ ((5,510,000))  
 2 5,487,000  
 3 TOTAL APPROPRIATION . . . . . \$ ((10,933,000))  
 4 10,987,000

5 **Sec. 109.** 2001 2nd sp.s. c 7 s 110 (uncodified) is amended to read  
 6 as follows:

7 **FOR THE LAW LIBRARY**

8 General Fund--State Appropriation (FY 2002) . . \$ 1,982,000  
 9 General Fund--State Appropriation (FY 2003) . . \$ ((1,983,000))  
 10 1,924,000  
 11 TOTAL APPROPRIATION . . . . . \$ ((3,965,000))  
 12 3,906,000

13 **Sec. 110.** 2001 2nd sp.s. c 7 s 111 (uncodified) is amended to read  
 14 as follows:

15 **FOR THE COURT OF APPEALS**

16 General Fund--State Appropriation (FY 2002) . . \$ ((12,746,000))  
 17 12,894,000  
 18 General Fund--State Appropriation (FY 2003) . . \$ ((12,878,000))  
 19 12,724,000  
 20 TOTAL APPROPRIATION . . . . . \$ ((25,624,000))  
 21 25,618,000

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

24 (1) \$505,000 of the general fund--state appropriation for fiscal  
 25 year 2002 and \$606,000 of the general fund--state appropriation for  
 26 fiscal year 2003 are provided solely for lease increases associated  
 27 with the division I facility. ((Within the funds provided in this  
 28 subsection, the court of appeals shall conduct a space planning study  
 29 exploring options dealing with remodeling existing space to accommodate  
 30 needs and evaluating the cost and benefits of moving to another  
 31 location.))

32 (2) \$168,000 of the general fund--state appropriation for fiscal  
 33 year 2002 and \$159,000 of the general fund--state appropriation for  
 34 fiscal year 2003 are provided solely for providing compensation  
 35 adjustments to nonjudicial staff of the court of appeals. Within the  
 36 funds provided in this subsection, the court of appeals shall determine

1 the specific positions to receive compensation adjustments based on  
2 recruitment and retention difficulties, new duties or responsibilities  
3 assigned, and salary inversion or compression within the court of  
4 appeals.

5 **Sec. 111.** 2001 2nd sp.s. c 7 s 112 (uncodified) is amended to read  
6 as follows:

7 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

8	General Fund--State Appropriation (FY 2002) . . . \$	955,000
9	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>969,000</del> ))
10		<u>940,000</u>
11	TOTAL APPROPRIATION . . . . . \$	(( <del>1,924,000</del> ))
12		<u>1,895,000</u>

13 **Sec. 112.** 2001 2nd sp.s. c 7 s 113 (uncodified) is amended to read  
14 as follows:

15 **FOR THE ADMINISTRATOR FOR THE COURTS**

16	General Fund--State Appropriation (FY 2002) . . . \$	(( <del>14,247,000</del> ))
17		<u>14,900,000</u>
18	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>14,386,000</del> ))
19		<u>14,956,000</u>
20	Public Safety and Education Account--State	
21	Appropriation . . . . . \$	(( <del>29,634,000</del> ))
22		<u>27,507,000</u>
23	Judicial Information Systems Account--State	
24	Appropriation . . . . . \$	27,758,000
25	TOTAL APPROPRIATION . . . . . \$	(( <del>86,025,000</del> ))
26		<u>85,121,000</u>

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

29 (1) Funding provided in the judicial information systems account  
30 appropriation shall be used for the operations and maintenance of  
31 technology systems that improve services provided by the supreme court,  
32 the court of appeals, the office of public defense, and the  
33 administrator for the courts.

34 (2) No moneys appropriated in this section may be expended by the  
35 administrator for the courts for payments in excess of fifty percent of  
36 the employer contribution on behalf of superior court judges for

1 insurance and health care plans and federal social security and  
2 medicare and medical aid benefits. As required by Article IV, section  
3 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,  
4 it is the intent of the legislature that the costs of these employer  
5 contributions shall be shared equally between the state and county or  
6 counties in which the judges serve. The administrator for the courts  
7 shall continue to implement procedures for the collection and  
8 disbursement of these employer contributions. During each fiscal year  
9 in the 2001-03 biennium, the office of the administrator for the courts  
10 shall send written notice to the office of community development in the  
11 department of community, trade, and economic development when each  
12 county pays its fifty percent share for the year.

13 (3) \$223,000 of the public safety and education account  
14 appropriation is provided solely for the gender and justice commission.

15 (4) \$308,000 of the public safety and education account  
16 appropriation is provided solely for the minority and justice  
17 commission.

18 (5) \$278,000 of the general fund--state appropriation for fiscal  
19 year 2002, \$285,000 of the general fund--state appropriation for fiscal  
20 year 2003, and \$263,000 of the public safety and education account  
21 appropriation are provided solely for the workload associated with tax  
22 warrants and other state cases filed in Thurston county.

23 (6) \$750,000 of the general fund--state appropriation for fiscal  
24 year 2002 and \$750,000 of the general fund--state appropriation for  
25 fiscal year 2003 are provided solely for court-appointed special  
26 advocates in dependency matters. The administrator for the courts,  
27 after consulting with the association of juvenile court administrators  
28 and the association of court-appointed special advocate/guardian ad  
29 litem programs, shall distribute the funds to volunteer court-appointed  
30 special advocate/guardian ad litem programs. The distribution of  
31 funding shall be based on the number of children who need volunteer  
32 court-appointed special advocate representation and shall be equally  
33 accessible to all volunteer court-appointed special advocate/guardian  
34 ad litem programs. The administrator for the courts shall not retain  
35 more than six percent of total funding to cover administrative or any  
36 other agency costs.

37 ~~(7) ((\$750,000 of the public safety and education account--state~~  
38 ~~appropriation is provided solely for judicial program enhancements.~~  
39 ~~Within the funding provided in this subsection, the administrator for~~

1 ~~the courts, in consultation with the supreme court, shall determine the~~  
2 ~~program or programs to receive an enhancement. Among the programs that~~  
3 ~~may be funded from the amount provided in this subsection are unified~~  
4 ~~family courts.~~

5 ~~— (8) \$1,618,000 of the public safety and education account--state~~  
6 ~~appropriation is provided solely for increases for juror pay. The~~  
7 ~~office of the administrator for the courts may contract with local~~  
8 ~~governments to provide additional juror pay. The contract shall~~  
9 ~~provide that the local government is responsible for the first ten~~  
10 ~~dollars of juror compensation for each day or partial day of jury~~  
11 ~~service, and the state shall reimburse the local government for any~~  
12 ~~additional compensation, excluding the first day, up to a maximum of~~  
13 ~~fifteen dollars per day.))~~ \$1,800,000 of the judicial information  
14 systems account--state appropriation is provided solely for  
15 improvements and enhancements to the judicial information systems.  
16 This funding shall only be expended after the office of the  
17 administrator for the courts certifies to the office of financial  
18 management that there will be at least a \$1,000,000 ending fund balance  
19 in the judicial information systems account at the end of the 2001-03  
20 biennium.

21 **Sec. 113.** 2001 2nd sp.s. c 7 s 114 (uncodified) is amended to read  
22 as follows:

23 **FOR THE OFFICE OF PUBLIC DEFENSE**

24	General Fund--State Appropriation (FY 2002) . . .	\$	600,000
25	Public Safety and Education Account--State		
26	Appropriation . . . . .	\$	<del>((12,626,000))</del>
27			<u>12,269,000</u>
28	TOTAL APPROPRIATION . . . . .	\$	<del>((13,226,000))</del>
29			<u>12,869,000</u>

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

32 (1) ~~(( \$233,000 ))~~ \$209,000 of the public safety and education  
33 account appropriation is provided solely to increase the reimbursement  
34 for private attorneys providing constitutionally mandated indigent  
35 defense in nondeath penalty cases.

1 (2) \$51,000 of the public safety and education account  
2 appropriation is provided solely for the implementation of chapter 303,  
3 Laws of 1999 (court funding).

4 (3) Amounts provided from the public safety and education account  
5 appropriation in this section include funding for investigative  
6 services in death penalty personal restraint petitions.

7 (4) The entire general fund--state appropriation is provided solely  
8 for the continuation of a dependency and termination legal  
9 representation funding pilot program.

10 (a) The goal of the pilot program shall be to enhance the quality  
11 of legal representation in dependency and termination hearings, thereby  
12 reducing the number of continuances requested by contract attorneys,  
13 including those based on the unavailability of defense counsel. To  
14 meet the goal, the pilot shall include the following components:

15 (i) A maximum caseload requirement of 90 dependency and termination  
16 cases per full-time attorney;

17 (ii) Implementation of enhanced defense attorney practice  
18 standards, including but not limited to those related to reasonable  
19 case preparation and the delivery of adequate client advice, as  
20 developed by Washington state public defense attorneys and included in  
21 the office of public defense December 1999 report *Costs of Defense and*  
22 *Children's Representation in Dependency and Termination Hearings* ;

23 (iii) Use of investigative and expert services in appropriate  
24 cases; and

25 (iv) Effective implementation of indigency screening of all  
26 dependency and termination parents, guardians, and legal custodians  
27 represented by appointed counsel.

28 (b) The pilot program shall be established in one eastern and one  
29 western Washington juvenile court.

30 (c) The director shall contract for an independent evaluation of  
31 the pilot program benefits and costs. A final evaluation shall be  
32 submitted to the governor and the fiscal committees of the legislature  
33 no later than February 1, 2002.

34 (d) The chair of the office of public defense advisory committee  
35 shall appoint an implementation committee to:

36 (i) Develop criteria for a statewide program to improve dependency  
37 and termination defense;

38 (ii) Examine caseload impacts to the courts resulting from improved  
39 defense practices; and

1 (iii) Identify methods for the efficient use of expert services and  
2 means by which parents may effectively access services.

3 If sufficient funds are available, the office of public defense  
4 shall contract with the Washington state institute for public policy to  
5 research how reducing dependency and termination case delays affects  
6 foster care and to identify factors that are reducing the number of  
7 family reunifications that occur in dependency and termination cases.

8 (5) \$50,000 of the public safety and education account--state  
9 appropriation is provided solely for the evaluation required in chapter  
10 92, Laws of 2000 (DNA testing).

11 (6) (~~(\$235,000)~~) \$135,000 of the public safety and education  
12 account--state appropriation is provided solely for the office of  
13 public defense to contract with an existing public defender association  
14 to establish a capital defense assistance center.

15 **Sec. 114.** 2001 2nd sp.s. c 7 s 115 (uncodified) is amended to read  
16 as follows:

17 **FOR THE OFFICE OF THE GOVERNOR**

18	General Fund--State Appropriation (FY 2002) . . . \$	4,537,000
19	General Fund--State Appropriation (FY 2003) . . . \$	<del>((4,524,000))</del>
20		<u>4,298,000</u>
21	General Fund--Federal Appropriation . . . . . \$	219,000
22	Water Quality Account--State	
23	Appropriation . . . . . \$	3,908,000
24	TOTAL APPROPRIATION . . . . . \$	<del>((13,188,000))</del>
25		<u>12,962,000</u>

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

28 (1) \$3,908,000 of the water quality account appropriation and  
29 \$219,000 of the general fund--federal appropriation are provided solely  
30 for the Puget Sound water quality action team to implement the Puget  
31 Sound work plan and agency action items PSAT-01 through PSAT-05.

32 (2) \$100,000 of the general fund--state appropriation for fiscal  
33 year 2002 and \$100,000 of the general fund--state appropriation for  
34 fiscal year 2003 are provided solely for the salmon recovery office to  
35 support the efforts of the independent science panel.

36 (3) \$500,000 of the general fund--state appropriation for fiscal  
37 year 2003 is provided solely for implementation of Engrossed Second

1 Substitute House Bill No. 2671 (permit assistance center). If the bill  
2 is not enacted by June 30, 2002, the amount provided in this subsection  
3 shall lapse.

4 **Sec. 115.** 2001 2nd sp.s. c 7 s 116 (uncodified) is amended to read  
5 as follows:

6 **FOR THE LIEUTENANT GOVERNOR**

7	General Fund--State Appropriation (FY 2002) . . . \$	449,000
8	General Fund--State Appropriation (FY 2003) . . . \$	<del>((451,000))</del>
9		<u>428,000</u>
10	TOTAL APPROPRIATION . . . . . \$	<del>((900,000))</del>
11		<u>877,000</u>

12 **Sec. 116.** 2001 2nd sp.s. c 7 s 117 (uncodified) is amended to read  
13 as follows:

14 **FOR THE PUBLIC DISCLOSURE COMMISSION**

15	General Fund--State Appropriation (FY 2002) . . . \$	1,910,000
16	General Fund--State Appropriation (FY 2003) . . . \$	<del>((1,903,000))</del>
17		<u>1,846,000</u>
18	TOTAL APPROPRIATION . . . . . \$	<del>((3,813,000))</del>
19		<u>3,756,000</u>

20 **Sec. 117.** 2001 2nd sp.s. c 7 s 118 (uncodified) is amended to read  
21 as follows:

22 **FOR THE SECRETARY OF STATE**

23	General Fund--State Appropriation (FY 2002) . . . \$	<del>((10,513,000))</del>
24		<u>10,175,000</u>
25	General Fund--State Appropriation (FY 2003) . . . \$	<del>((8,707,000))</del>
26		<u>6,252,000</u>
27	Archives and Records Management Account--State	
28	Appropriation . . . . . \$	<del>((7,295,000))</del>
29		<u>7,877,000</u>
30	Archives and Records Management Account--Private/	
31	Local Appropriation . . . . . \$	<del>((3,860,000))</del>
32		<u>4,572,000</u>
33	Department of Personnel Service Account	
34	Appropriation . . . . . \$	<del>((719,000))</del>
35		<u>701,000</u>
36	TOTAL APPROPRIATION . . . . . \$	<del>((31,094,000))</del>

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

4 (1) (~~(\$2,296,000)~~) \$1,796,000 of the general fund--state  
5 appropriation for fiscal year 2002 is provided solely to reimburse  
6 counties for the state's share of primary and general election costs  
7 and the costs of conducting mandatory recounts on state measures.  
8 Counties shall be reimbursed only for those odd-year election costs  
9 that the secretary of state validates as eligible for reimbursement.

10 (2) (~~(\$2,193,000)~~) \$2,143,000 of the general fund--state  
11 appropriation for fiscal year 2002 and (~~(\$2,712,000)~~) \$2,578,000 of the  
12 general fund--state appropriation for fiscal year 2003 are provided  
13 solely for the verification of initiative and referendum petitions,  
14 maintenance of related voter registration records, and the publication  
15 and distribution of the voters and candidates pamphlet.

16 (3) \$125,000 of the general fund--state appropriation for fiscal  
17 year 2002 and (~~(\$125,000)~~) \$118,000 of the general fund--state  
18 appropriation for fiscal year 2003 are provided solely for legal  
19 advertising of state measures under RCW 29.27.072.

20 (4)(a) \$1,944,004 of the general fund--state appropriation for  
21 fiscal year 2002 and \$1,986,772 of the general fund--state  
22 appropriation for fiscal year 2003 are provided solely for contracting  
23 with a nonprofit organization to produce gavel-to-gavel television  
24 coverage of state government deliberations and other events of  
25 statewide significance during the 2001-2003 biennium. An eligible  
26 nonprofit organization must be formed solely for the purpose of, and be  
27 experienced in, providing gavel-to-gavel television coverage of state  
28 government deliberations and other events of statewide significance and  
29 must have received a determination of tax-exempt status under section  
30 501(c)(3) of the federal internal revenue code. The funding level for  
31 each year of the contract shall be based on the amount provided in this  
32 subsection and adjusted to reflect the implicit price deflator for the  
33 previous year. The nonprofit organization shall be required to raise  
34 contributions or commitments to make contributions, in cash or in kind,  
35 in an amount equal to forty percent of the state contribution. The  
36 office of the secretary of state may make full or partial payment once  
37 all criteria in (a) and (b) of this subsection have been satisfactorily  
38 documented.



1 (b) The legislature finds that the commitment of on-going funding  
2 is necessary to ensure continuous, autonomous, and independent coverage  
3 of public affairs. For that purpose, the secretary of state shall  
4 enter into a four-year contract with the nonprofit organization to  
5 provide public affairs coverage through June 30, 2006.

6 (c) The nonprofit organization shall prepare an annual independent  
7 audit, an annual financial statement, and an annual report, including  
8 benchmarks that measure the success of the nonprofit organization in  
9 meeting the intent of the program.

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

12 (i) Attempting to influence the passage or defeat of any  
13 legislation by the legislature of the state of Washington, by any  
14 county, city, town, or other political subdivision of the state of  
15 Washington, or by the congress, or the adoption or rejection of any  
16 rule, standard, rate, or other legislative enactment of any state  
17 agency;

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

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

21 (5)(a) \$149,316 of the archives and records management--state  
22 appropriation and \$597,266 of the archives and records management--  
23 private/local appropriation are provided solely for the construction of  
24 an eastern regional archives. The amounts provided in this subsection  
25 shall lapse if:

26 (i) The financing contract for the construction of an eastern  
27 regional archives building is not authorized in the capital budget for  
28 the 2001-03 fiscal biennium; or

29 (ii) Substitute House Bill No. 1926 (increasing the surcharge on  
30 county auditor recording fees) is not enacted by July 31, 2001.

31 (b) (~~(\$613,879)~~) \$566,879 of the archives and records management--  
32 state appropriation and (~~(\$463,102)~~) \$451,102 of the archives and  
33 records management--private/local appropriation are provided solely for  
34 the design and establishment of an electronic data archive, including  
35 the acquisition of hardware and software. The amounts provided in this  
36 subsection shall lapse if:

37 (i) The financing contract for acquisition of technology hardware  
38 and software for the electronic data archive is not authorized in the  
39 capital budget for the 2001-03 fiscal biennium; or

1 (ii) Substitute House Bill No. 1926 (increasing the surcharge on  
2 county auditor recording fees) is not enacted by June 30, 2001.

3 (6) If the financing contract for expansion of the state records  
4 center is not authorized in the capital budget for fiscal biennium  
5 2001-03, then \$641,000 of the archives and records management account--  
6 state appropriation shall lapse.

7 (7) (~~(\$867,000)~~) \$1,635,000 of the archives and records management  
8 account--state appropriation is provided solely for operation of the  
9 central microfilming bureau under RCW 40.14.020(8).

10 **Sec. 118.** 2001 2nd sp.s. c 7 s 119 (uncodified) is amended to read  
11 as follows:

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

13	General Fund--State Appropriation (FY 2002) . . . \$	269,000
14	General Fund--State Appropriation (FY 2003) . . . \$	<del>((282,000))</del>
15		<u>274,000</u>
16	TOTAL APPROPRIATION . . . . . \$	<del>((551,000))</del>
17		<u>543,000</u>

18 **Sec. 119.** 2001 2nd sp.s. c 7 s 120 (uncodified) is amended to read  
19 as follows:

20 **FOR THE COMMISSION ON ASIAN-AMERICAN AFFAIRS**

21	General Fund--State Appropriation (FY 2002) . . . \$	233,000
22	General Fund--State Appropriation (FY 2003) . . . \$	<del>((233,000))</del>
23		<u>201,000</u>
24	TOTAL APPROPRIATION . . . . . \$	<del>((466,000))</del>
25		<u>434,000</u>

26 **Sec. 120.** 2001 2nd sp.s. c 7 s 121 (uncodified) is amended to read  
27 as follows:

28 **FOR THE STATE TREASURER**

29	State Treasurer's Service Account--State	
30	Appropriation . . . . . \$	<del>((12,870,000))</del>
31		<u>12,548,000</u>

32 **Sec. 121.** 2001 2nd sp.s. c 7 s 123 (uncodified) is amended to read  
33 as follows:

34 **FOR THE STATE AUDITOR**

35	General Fund--State Appropriation (FY 2002) . . . \$	<del>((1,078,000))</del>
----	--	--------------------------

1			<u>875,000</u>
2	General Fund--State Appropriation (FY 2003) . . . \$		<del>((1,324,000))</del>
3			<u>963,000</u>
4	State Auditing Services Revolving Account--State		
5	Appropriation . . . . . \$		<del>((13,540,000))</del>
6			<u>13,193,000</u>
7	TOTAL APPROPRIATION . . . . . \$		<del>((15,942,000))</del>
8			<u>15,031,000</u>

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

11       (1) Audits of school districts by the division of municipal  
12 corporations shall include findings regarding the accuracy of: (a)  
13 Student enrollment data; and (b) the experience and education of the  
14 district's certified instructional staff, as reported to the  
15 superintendent of public instruction for allocation of state funding.

16       (2) ~~((\$910,000))~~ \$875,000 of the general fund--state appropriation  
17 for fiscal year 2002 and ~~((\$910,000))~~ \$876,000 of the general fund--  
18 state appropriation for fiscal year 2003 are provided solely for staff  
19 and related costs to verify the accuracy of reported school district  
20 data submitted for state funding purposes; conduct school district  
21 program audits of state funded public school programs; establish the  
22 specific amount of state funding adjustments whenever audit exceptions  
23 occur and the amount is not firmly established in the course of regular  
24 public school audits; and to assist the state special education safety  
25 net committee when requested.

26       (3) \$87,000 of the general fund--state appropriation for fiscal  
27 year 2003 is provided solely to implement House Bill No. 2563 (creating  
28 the governor's performance audit standards and scorecard commission)  
29 which includes a requirement that the state auditor conduct a pilot  
30 performance audit of the department of agriculture. If House Bill No.  
31 2563 is not enacted by June 30, 2002, the amount provided in this  
32 subsection shall lapse.

33       **Sec. 122.** 2001 2nd sp.s. c 7 s 124 (uncodified) is amended to read  
34 as follows:

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

36	General Fund--State Appropriation (FY 2002) . . . \$	80,000
37	General Fund--State Appropriation (FY 2003) . . . \$	<del>((152,000))</del>



1 investigator services provided for the month; (c) the full-time  
2 equivalent paralegal services provided for the month; and (d) direct  
3 legal costs, such as filing and docket fees, charged to the agency for  
4 the month.

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

10 (4) A maximum of \$38,087,000 of the legal services revolving  
11 account--state appropriation is provided for tort defense legal  
12 services that are to be reimbursed through the liability account or its  
13 successor. The appropriation from the legal services revolving fund  
14 account--state in this section has been increased by \$38,087,000 to  
15 reflect the fact that the office of the attorney general shall begin  
16 billing its costs for tort defense legal services through the legal  
17 services revolving account--state.

18 **Sec. 124.** 2001 2nd sp.s. c 7 s 126 (uncodified) is amended to read  
19 as follows:

20 **FOR THE CASELOAD FORECAST COUNCIL**

21	General Fund--State Appropriation (FY 2002) . . . \$	631,000
22	General Fund--State Appropriation (FY 2003) . . . \$	<del>((619,000))</del>
23		<u>600,000</u>
24	TOTAL APPROPRIATION . . . . . \$	<del>((1,250,000))</del>
25		<u>1,231,000</u>

26 NEW SECTION. **Sec. 125.** A new section is added to 2001 2nd sp.s.  
27 c 7 (uncodified) to read as follows:

28 **FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS.** The department of  
29 financial institutions shall reduce its fiscal year 2003 expenditures  
30 from the financial services regulation account by the amount of  
31 \$357,000.

32 **Sec. 126.** 2001 2nd sp.s. c 7 s 127 (uncodified) is amended to read  
33 as follows:

34 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

35	General Fund--State Appropriation (FY 2002) . . . \$	<del>((71,083,500))</del>
36		<u>69,708,000</u>

1	General Fund--State Appropriation (FY 2003) . . .	\$	((70,873,500))
2			<u>60,199,000</u>
3	General Fund--Federal Appropriation . . . . .	\$	173,342,000
4	General Fund--Private/Local Appropriation . . .	\$	7,980,000
5	Public Safety and Education Account--State		
6	Appropriation . . . . .	\$	((10,300,000))
7			<u>10,108,000</u>
8	Public Works Assistance Account--State		
9	Appropriation . . . . .	\$	1,911,000
10	<u>Salmon Recovery Account--State</u>		
11	<u>Appropriation</u> . . . . .	\$	<u>1,500,000</u>
12	Film and Video Promotion Account--State		
13	Appropriation . . . . .	\$	25,000
14	Building Code Council Account--State		
15	Appropriation . . . . .	\$	((1,061,000))
16			<u>1,226,000</u>
17	Administrative Contingency Account--State		
18	Appropriation . . . . .	\$	1,777,000
19	Low-Income Weatherization Assistance Account--State		
20	Appropriation . . . . .	\$	3,292,000
21	Violence Reduction and Drug Enforcement Account--		
22	State Appropriation . . . . .	\$	6,081,000
23	Manufactured Home Installation Training Account--		
24	State Appropriation . . . . .	\$	256,000
25	Community Economic Development Account--		
26	State Appropriation . . . . .	\$	113,000
27	Washington Housing Trust Account--State		
28	Appropriation . . . . .	\$	((5,597,000))
29			<u>9,891,000</u>
30	Public Facility Construction Loan Revolving		
31	Account--State Appropriation . . . . .	\$	((550,000))
32			<u>586,000</u>
33	TOTAL APPROPRIATION . . . . .	\$	((354,242,000))
34			<u>347,995,000</u>

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

37 (1)(a) It is the intent of the legislature that the department of  
38 community, trade, and economic development receive separate

1 programmatic allotments for the office of community development and the  
2 office of trade and economic development. Any appropriation made to  
3 the department of community, trade, and economic development for  
4 carrying out the powers, functions, and duties of either office shall  
5 be credited to the appropriate office.

6 (b) If House Bill No. 1474 (splitting CTED) is enacted by June 30,  
7 2002, any appropriations made to the department of community, trade,  
8 and economic development for carrying out the powers, functions, and  
9 duties of either the department of community development or the  
10 department of trade and economic development shall be transferred and  
11 credited to the appropriate department. The director of financial  
12 management shall make a determination as to the proper allocation and  
13 certify that allocation to the state agencies concerned.

14 (2) \$3,085,000 of the general fund--state appropriation for fiscal  
15 year 2002 and (~~(\$3,085,000)~~) \$2,838,000 of the general fund--state  
16 appropriation for fiscal year 2003 are provided solely for a contract  
17 with the Washington technology center. For work essential to the  
18 mission of the Washington technology center and conducted in  
19 partnership with universities, the center shall not pay any increased  
20 indirect rate nor increases in other indirect charges above the  
21 absolute amount paid during the 1995-97 fiscal biennium.

22 (3) \$61,000 of the general fund--state appropriation for fiscal  
23 year 2002 and \$62,000 of the general fund--state appropriation for  
24 fiscal year 2003 are provided solely for the implementation of the  
25 Puget Sound work plan and agency action item OCD-01.

26 (4) \$10,403,445 of the general fund--federal appropriation is  
27 provided solely for the drug control and system improvement formula  
28 grant program, to be distributed in state fiscal year 2002 as follows:

29 (a) \$3,603,250 to local units of government to continue  
30 multijurisdictional narcotics task forces;

31 (b) \$620,000 to the department to continue the drug prosecution  
32 assistance program in support of multijurisdictional narcotics task  
33 forces;

34 (c) \$1,363,000 to the Washington state patrol for coordination,  
35 investigative, and supervisory support to the multijurisdictional  
36 narcotics task forces and for methamphetamine education and response;

37 (d) \$200,000 to the department for grants to support tribal law  
38 enforcement needs;

1 (e) \$991,000 to the department of social and health services,  
2 division of alcohol and substance abuse, for drug courts in eastern and  
3 western Washington;

4 (f) \$302,551 to the department for training and technical  
5 assistance of public defenders representing clients with special needs;

6 (g) \$88,000 to the department to continue a substance abuse  
7 treatment in jails program, to test the effect of treatment on future  
8 criminal behavior;

9 (h) \$697,075 to the department to continue domestic violence legal  
10 advocacy;

11 (i) \$903,000 to the department of social and health services,  
12 juvenile rehabilitation administration, to continue youth violence  
13 prevention and intervention projects;

14 (j) \$60,000 to the Washington association of sheriffs and police  
15 chiefs to complete the state and local components of the national  
16 incident-based reporting system;

17 (k) \$60,000 to the department for community-based advocacy services  
18 to victims of violent crime, other than sexual assault and domestic  
19 violence;

20 (l) \$91,000 to the department to continue the governor's council on  
21 substance abuse;

22 (m) \$99,000 to the department to continue evaluation of Byrne  
23 formula grant programs;

24 (n) \$500,469 to the office of financial management for criminal  
25 history records improvement; and

26 (o) \$825,100 to the department for required grant administration,  
27 monitoring, and reporting on Byrne formula grant programs.

28 These amounts represent the maximum Byrne grant expenditure  
29 authority for each program. No program may expend Byrne grant funds in  
30 excess of the amounts provided in this subsection. If moneys in excess  
31 of those appropriated in this subsection become available, whether from  
32 prior or current fiscal year Byrne grant distributions, the department  
33 shall hold these moneys in reserve and may not expend them without  
34 specific appropriation. These moneys shall be carried forward and  
35 applied to the pool of moneys available for appropriation for programs  
36 and projects in the succeeding fiscal year. As part of its budget  
37 request for the succeeding year, the department shall estimate and  
38 request authority to spend any funds remaining in reserve as a result  
39 of this subsection.



1       (5) (~~(\$470,000)~~) (a) \$10,512,393 of the general fund--federal  
2 appropriation is provided solely for the drug control and system  
3 improvement formula grant program, to be distributed in state fiscal  
4 year 2003 in accordance with the recommendations of the Byrne grant  
5 advisory committee, provided that a maximum of \$813,000 of the  
6 appropriation may be spent by the department on grant administration,  
7 monitoring, and reporting on Byrne formula grant programs.

8       (b) The \$10,512,393 amount under (a) of this subsection represents  
9 the maximum Byrne grant expenditure authority. If money in excess of  
10 this amount becomes available, whether from prior or current fiscal  
11 year Byrne grant distributions, the department shall hold these moneys  
12 in reserve and may not expend them without specific appropriation.  
13 These moneys shall be carried forward and applied to the pool of moneys  
14 available for appropriation for program and projects in the succeeding  
15 fiscal year. As part of its budget request for the succeeding year,  
16 the department shall estimate and request authority to spend any funds  
17 remaining in reserve as a result of this subsection.

18       (6) \$370,000 of the general fund--state appropriation for fiscal  
19 year 2002 and (~~(\$470,000)~~) \$50,000 of the general fund--state  
20 appropriation for fiscal year 2003 are provided solely for rural  
21 economic development activities including (~~(\$200,000)~~) \$100,000 for the  
22 Washington manufacturing service, and \$100,000 for business retention  
23 and expansion.

24       ~~((+6))~~ (7) \$1,250,000 of the general fund--state appropriation for  
25 fiscal year 2002 and \$1,250,000 of the general fund--state  
26 appropriation for fiscal year 2003 are provided solely for grants to  
27 operate, repair, and staff shelters for homeless families with  
28 children.

29       ~~((+7))~~ (8) \$2,500,000 of the general fund--state appropriation for  
30 fiscal year 2002 and \$2,500,000 of the general fund--state  
31 appropriation for fiscal year 2003 are provided solely for grants to  
32 operate transitional housing for homeless families with children. The  
33 grants may also be used to make partial payments for rental assistance.

34       ~~((+8))~~ (9) \$1,250,000 of the general fund--state appropriation for  
35 fiscal year 2002 and \$1,250,000 of the general fund--state  
36 appropriation for fiscal year 2003 are provided solely for consolidated  
37 emergency assistance to homeless families with children.

38       ~~((+9))~~ (10) \$205,000 of the general fund--state appropriation for  
39 fiscal year 2002 (~~and \$205,000 of the general fund--state~~

1 ~~appropriation for fiscal year 2003 are))~~ is provided solely for grants  
2 to Washington Columbia river gorge counties to implement their  
3 responsibilities under the national scenic area management plan. Of  
4 this amount, (~~(\$390,000)~~) \$195,000 is provided for Skamania county and  
5 (~~(\$20,000)~~) \$10,000 is provided for Clark county.

6 (~~(+10)~~) (11) \$698,000 of the general fund--state appropriation for  
7 fiscal year 2002, \$698,000 of the general fund--state appropriation for  
8 fiscal year 2003, and \$1,101,000 of the administrative contingency  
9 account appropriation are provided solely for contracting with  
10 associate development organizations to maintain existing programs.

11 (~~(+11)~~) (12) \$600,000 of the public safety and education account  
12 appropriation is provided solely for sexual assault prevention and  
13 treatment programs.

14 (~~(+12)~~) (13) \$680,000 of the Washington housing trust account  
15 appropriation is provided solely to conduct a pilot project designed to  
16 lower infrastructure costs for residential development.

17 (~~(+13)~~) (14) \$50,000 of the general fund--state appropriation for  
18 fiscal year 2002 and \$50,000 of the general fund--state appropriation  
19 for fiscal year 2003 are provided to the department solely for  
20 providing technical assistance to developers of housing for  
21 farmworkers.

22 (~~(+14)~~) (15) \$370,000 of the general fund--state appropriation for  
23 fiscal year 2002, \$371,000 of the general fund--state appropriation for  
24 fiscal year 2003, and \$25,000 of the film and video promotion account  
25 appropriation are provided solely for the film office to bring film and  
26 video production to Washington state.

27 (~~(+15)~~) (16) \$22,000 of the general fund--state appropriation for  
28 fiscal year 2002 (~~(and \$23,000 of the general fund--state appropriation~~  
29 ~~for fiscal year 2003 are))~~ is provided solely as a matching grant to  
30 support the Washington state senior games. State funding shall be  
31 matched with at least an equal amount of private or local governmental  
32 funds.

33 (~~(+16)~~) (17) \$500,000 of the general fund--state appropriation for  
34 fiscal year 2002 and \$500,000 of the general fund--state appropriation  
35 for fiscal year 2003 are provided solely for grants to food banks and  
36 food distribution centers to increase their ability to accept, store,  
37 and deliver perishable food.

38 (~~(+17)~~) (18) \$230,000 of the general fund--state appropriation for  
39 fiscal year 2002, \$230,000 of the general fund--state appropriation for

1 fiscal year 2003, and the entire community economic development account  
2 appropriation are provided solely for support of the developmental  
3 disabilities endowment governing board and startup costs of the  
4 endowment program. Startup costs are a loan from the state general  
5 fund and will be repaid from funds within the program as determined by  
6 the governing board. The governing board may use state appropriations  
7 to implement a sliding-scale fee waiver for families earning below 150  
8 percent of the state median family income. The director of the  
9 department, or the director of the subsequent department of community  
10 development, may implement fees to support the program as provided  
11 under RCW 43.330.152.

12 ~~((+18+))~~ (19) \$1,868,000 of the Washington housing trust account  
13 appropriation for fiscal year 2003 is provided solely for emergency  
14 shelter assistance. If Substitute House Bill No. 2060 (low-income  
15 housing) is not enacted by June 30, 2002, the amount provided in this  
16 subsection shall lapse.

17 (20) \$165,000 of the building code council account appropriation is  
18 provided solely for the council's activities. If neither House Bill  
19 No. 1363 or Senate Bill No. 5352 (increasing the building code council  
20 fee) is enacted by June 30, 2002, the amount provided in this  
21 subsection shall lapse.

22 (21) \$202,000 of the mobile home park relocation account is  
23 provided solely for assisting mobile home park residents who must  
24 relocate when a mobile home park is closed. If neither House Bill No.  
25 1630 or Senate Bill No. 5354 (modifying mobile home relocation  
26 assistance) is enacted by June 30, 2002, the amount provided in this  
27 subsection shall lapse.

28 (22) \$880,000 of the public safety and education account  
29 appropriation is provided solely for community-based legal advocates to  
30 assist sexual assault victims with both civil and criminal justice  
31 issues. If Senate Bill No. 5309 is not enacted by June 30, 2001, the  
32 amount provided in this subsection shall lapse.

33 ~~((+19+))~~ (23) \$65,000 of the general fund--state appropriation for  
34 fiscal year 2002 and \$65,000 of the general fund--state appropriation  
35 for fiscal year 2003 are provided solely for a contract with a food  
36 distribution program for communities in the southwestern portion of the  
37 state and for workers impacted by timber and salmon fishing closures  
38 and reductions. The department may not charge administrative overhead  
39 or expenses to the funds provided in this subsection.

1        ~~((+20+))~~ (24) \$120,000 of the general fund--state appropriation for  
2 fiscal year 2002 ~~((and \$120,000 of the general fund--state~~  
3 ~~appropriation for fiscal year 2003 are provided solely as one-time~~  
4 ~~pass-through funding to currently licensed overnight youth shelters))~~  
5 and \$120,000 from the Washington housing trust account appropriation  
6 for fiscal year 2003 are provided solely as one-time pass-through  
7 funding to currently licensed overnight youth shelters. If Substitute  
8 House Bill no. 2060 (low-income housing) is not enacted by June 30,  
9 2002, the amount from the Washington housing trust account provided in  
10 this subsection shall lapse.

11        ~~((+21+))~~ (25) Repayments of outstanding loans granted under RCW  
12 43.63A.600, the mortgage and rental assistance program, shall be  
13 remitted to the department, including any current revolving account  
14 balances. The department shall contract with a lender or contract  
15 collection agent to act as a collection agent of the state. The lender  
16 or contract collection agent shall collect payments on outstanding  
17 loans, and deposit them into an interest-bearing account. The funds  
18 collected shall be remitted to the department quarterly. Interest  
19 earned in the account may be retained by the lender or contract  
20 collection agent, and shall be considered a fee for processing payments  
21 on behalf of the state. Repayments of loans granted under this chapter  
22 shall be made to the lender or contract collection agent as long as the  
23 loan is outstanding, notwithstanding the repeal of the chapter.

24        ~~((+22+))~~ (26) \$75,000 of the general fund--state appropriation for  
25 fiscal year 2002 ~~((and \$75,000 of the general fund--state appropriation~~  
26 ~~for fiscal year 2003 are))~~ is provided solely for the community  
27 connections program in Walla Walla.

28        ~~((+23+))~~ (27) \$100,000 of the general fund--state appropriation for  
29 fiscal year 2002 and \$100,000 of the general fund--state appropriation  
30 for fiscal year 2003 are provided to the office of community  
31 development solely for the purposes of providing assistance to  
32 industrial workers who have been displaced by energy cost-related  
33 industrial plant closures in rural counties. For purposes of this  
34 subsection, "rural county" is as defined in RCW 82.14.370(5). The  
35 office of community development shall distribute the amount in this  
36 subsection to community agencies that assist the displaced industrial  
37 workers in meeting basic needs including, but not limited to, emergency  
38 medical and dental services, family and mental health counseling, food,  
39 energy costs, mortgage, and rental costs. The department shall not

1 retain more than two percent of the amount provided in this subsection  
2 for administrative costs.

3 ~~((24))~~ (28) \$91,500 of the general fund--state appropriation for  
4 fiscal year 2002 and \$91,500 of the general fund--state appropriation  
5 for fiscal year 2003 are provided solely for services related to the  
6 foreign representative contract for Japan.

7 ~~((25) \$81,000 of the general fund--state appropriation for fiscal  
8 year 2002 and \$81,000 of the general fund--state appropriation for  
9 fiscal year 2003 are provided solely for business finance and loan  
10 programs.~~

11 ~~---(26))~~ (29) \$150,000 of the general fund--state appropriation for  
12 fiscal year 2002 is provided solely for the quick sites initiative  
13 program.

14 ~~((27) \$120,000 of the general fund--state appropriation for fiscal  
15 year 2002 and \$120,000 of the general fund--state appropriation for  
16 fiscal year 2003 are provided solely for operating a business  
17 information hotline.~~

18 ~~---(28) \$29,000 of the general fund--state appropriation for fiscal  
19 year 2002 and \$29,000 of the general fund--state appropriation for  
20 fiscal year 2003 are provided solely for travel expenses associated  
21 with the office of trade and economic development's provision of  
22 outreach and technical assistance services to businesses and local  
23 economic development associations.~~

24 ~~---(29))~~ (30) \$100,000 of the general fund--state appropriation for  
25 fiscal year 2002 and \$100,000 of the general fund--state appropriation  
26 for fiscal year 2003 are provided solely for information technology  
27 enhancements designed to improve the delivery of agency services to  
28 customers.

29 **Sec. 127.** 2001 2nd sp.s. c 7 s 128 (uncodified) is amended to read  
30 as follows:

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

32	General Fund--State Appropriation (FY 2002) . . . \$	512,000
33	General Fund--State Appropriation (FY 2003) . . . \$	<del>((514,000))</del>
34		<u>499,000</u>
35	TOTAL APPROPRIATION . . . . . \$	<del>((1,026,000))</del>
36		<u>1,011,000</u>

1       **Sec. 128.** 2001 2nd sp.s. c 7 s 129 (uncodified) is amended to read  
2 as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

4	General Fund--State Appropriation (FY 2002) . . . \$	12,456,000
5	General Fund--State Appropriation (FY 2003) . . . \$	<del>((12,024,000))</del>
6		<u>11,923,000</u>
7	General Fund--Federal Appropriation . . . . . \$	23,657,000
8	Violence Reduction and Drug Enforcement	
9	Account--State Appropriation . . . . . \$	229,000
10	State Auditing Services Revolving	
11	Account--State Appropriation . . . . . \$	25,000
12	TOTAL APPROPRIATION . . . . . \$	<del>((48,391,000))</del>
13		<u>48,290,000</u>

14       (1) The appropriations in this section are subject to the following  
15 conditions and limitations: The office of financial management shall  
16 review policies and procedures regarding purchasing of information  
17 technology upgrades by state agencies. Information technology upgrades  
18 include replacement workstations, network equipment, operating systems  
19 and application software. The review shall document existing policies  
20 and procedures, and shall compare alternative upgrade policies that  
21 reduce the overall cost to state government for maintaining adequate  
22 information technology to meet the existing business needs of state  
23 agencies. Findings and recommendations from this review shall be  
24 reported to appropriate committees of the legislature by December 1,  
25 2001.

26       (2) \$500,000 of the general fund--state appropriation for fiscal  
27 year 2003 is provided solely to implement House Bill No. 2563 (creating  
28 the governor's performance audit standards and scorecard commission.)  
29 If House Bill No. 2563 is not enacted by June 30, 2002, the amount  
30 provided in this subsection shall lapse.

31       (3) The office of financial management shall reduce financial  
32 system services rates so that client state agencies realize a total  
33 savings of \$339,000 in fiscal year 2003.

34       **Sec. 129.** 2001 2nd sp.s. c 7 s 130 (uncodified) is amended to read  
35 as follows:

36 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

37 Administrative Hearings Revolving Account--State

1 Appropriation . . . . . \$ ((21,938,000))  
2 22,394,000

3 **Sec. 130.** 2001 2nd sp.s. c 7 s 131 (uncodified) is amended to read  
4 as follows:

5 **FOR THE DEPARTMENT OF PERSONNEL**

6 Department of Personnel Service Account--State  
7 Appropriation . . . . . \$ ((17,297,000))  
8 17,037,000  
9 Higher Education Personnel Services Account--State  
10 Appropriation . . . . . \$ 1,636,000  
11 TOTAL APPROPRIATION . . . . . \$ ((18,933,000))  
12 18,673,000

13 The appropriations in this section are subject to the following  
14 conditions and limitations: The department of personnel may charge  
15 agencies\_ through the data processing revolving account\_ up to \$561,000  
16 in fiscal year 2002 to study the development of a new personnel and  
17 payroll system. Funding to cover these expenses shall be realized from  
18 agency FICA savings associated with the pretax benefits contributions  
19 plans. Funding is subject to section 902 of this act.

20 **Sec. 131.** 2001 2nd sp.s. c 7 s 132 (uncodified) is amended to read  
21 as follows:

22 **FOR THE WASHINGTON STATE LOTTERY**

23 Lottery Administrative Account--State  
24 Appropriation . . . . . \$ ((22,130,000))  
25 21,795,000

26 NEW SECTION. **Sec. 132.** A new section is added to 2001 2nd sp.s.  
27 c 7 (uncodified) to read as follows:

28 **STATE GAMBLING COMMISSION**

29 The state gambling commission is directed to reduce its fiscal year  
30 2003 expenditures from the gambling revolving account by the amount of  
31 \$450,000.

32 **Sec. 133.** 2001 2nd sp.s. c 7 s 133 (uncodified) is amended to read  
33 as follows:

34 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

1	General Fund--State Appropriation (FY 2002) . . . \$	226,000
2	General Fund--State Appropriation (FY 2003) . . . \$	((234,000))
3		<u>210,000</u>
4	TOTAL APPROPRIATION . . . . . \$	((460,000))
5		<u>436,000</u>

6       **Sec. 134.** 2001 2nd sp.s. c 7 s 134 (uncodified) is amended to read  
7 as follows:

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

9	General Fund--State Appropriation (FY 2002) . . . \$	211,000
10	General Fund--State Appropriation (FY 2003) . . . \$	((209,000))
11		<u>207,000</u>
12	TOTAL APPROPRIATION . . . . . \$	((420,000))
13		<u>418,000</u>

14       **Sec. 135.** 2001 2nd sp.s. c 7 s 135 (uncodified) is amended to read  
15 as follows:

16 **FOR THE PERSONNEL APPEALS BOARD**

17	Department of Personnel Service Account--State	
18	Appropriation . . . . . \$	((1,679,000))
19		<u>1,705,000</u>

20       **Sec. 136.** 2001 2nd sp.s. c 7 s 136 (uncodified) is amended to read  
21 as follows:

22 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

23	Dependent Care Administrative Account--State	
24	Appropriation . . . . . \$	378,000
25	Department of Retirement Systems Expense Account--	
26	State Appropriation . . . . . \$	((49,562,000))
27		<u>49,050,000</u>
28	TOTAL APPROPRIATION . . . . . \$	((49,940,000))
29		<u>49,428,000</u>

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

32       (1) \$1,000,000 of the department of retirement systems expense  
33 account appropriation is provided solely for support of the information  
34 systems project known as the electronic document image management  
35 system.



1 (2) \$120,000 of the department of retirement systems expense  
2 account appropriation is provided solely for locating inactive members  
3 entitled to retirement benefits.

4 (3) \$117,000 of the department of retirement systems expense  
5 account appropriation is provided solely for modifications to the  
6 retirement information systems to accommodate tracking of  
7 postretirement employment on an hourly basis.

8 (4) \$440,000 of the department of retirement systems expense  
9 account is provided solely for the implementation of Engrossed Senate  
10 Bill No. 5143 (Washington state patrol retirement systems plan 2).

11 (5) \$6,420,000 of the department of retirement systems expense  
12 account is provided solely for the implementation of public employees'  
13 retirement system plan 3 (chapter 247, Laws of 2000).

14 ~~(6) ((\$101,000 of the department of retirement systems expense  
15 account--state appropriation is provided solely to implement Senate  
16 Bill No. 5144 (LEOFF survivor benefit). If the bill is not enacted by  
17 July 31, 2001, the amount provided in this subsection shall lapse.~~

18 ~~— (7) \$744,000 of the department of retirement systems expense  
19 account--state appropriation is provided solely to implement Second  
20 Engrossed Substitute Senate Bill No. 6166 (LEOFF restructuring). If  
21 the bill is not enacted by July 31, 2001, the amount provided in this  
22 subsection shall lapse.)~~ \$96,000 of the department of retirement  
23 systems expense account appropriation is provided solely for the  
24 implementation of Senate Bill No. 6376 or House Bill No. 2389 (PERS  
25 plan 3 transfer payment). If neither bill is enacted by June 30, 2002,  
26 the amount provided in this subsection shall lapse.

27 (7) \$9,000 of the department of retirement systems expense account  
28 appropriation is provided solely for the implementation of Senate Bill  
29 No. 6377 or House Bill No. 2390 (TRS plan 1 extended school year). If  
30 neither bill is enacted by June 30, 2002, the amount provided in this  
31 subsection shall lapse.

32 (8) \$12,000 of the department of retirement systems expense account  
33 appropriation is provided solely for the implementation of Senate Bill  
34 No. 6378 (LEOFF plan 2 part-time leave of absence). If the bill is not  
35 enacted by June 30, 2002, the amount provided in this subsection shall  
36 lapse.

37 (9) \$122,000 of the department of retirement systems expense  
38 account appropriation is provided solely for the implementation of  
39 Senate Bill No. 6379 or House Bill No. 2392 (transferring service

1 credit to WSPRS). If neither bill is enacted by June 30, 2002, the  
2 amount provided in this subsection shall lapse.

3 (10) \$627,000 of the department of retirement systems expense  
4 account appropriation is provided solely for the implementation of  
5 Engrossed Senate Bill No. 6380 or House Bill No. 2393 (survivor  
6 benefits). If neither bill is enacted by June 30, 2002, the amount  
7 provided in this subsection shall lapse.

8 (11) \$53,000 of the department of retirement systems expense  
9 account appropriation is provided solely for the implementation of  
10 Senate Bill No. 6381 or House Bill No. 2394 (PERS plan 1 terminated  
11 vested). If neither bill is enacted by June 30, 2002, the amount  
12 provided in this subsection shall lapse.

13 **Sec. 137.** 2001 2nd sp.s. c 7 s 137 (uncodified) is amended to read  
14 as follows:

15 **FOR THE STATE INVESTMENT BOARD**

16 State Investment Board Expense Account--State	
17 Appropriation . . . . .	\$ ((12,876,000))
18	<u>13,461,000</u>

19 **Sec. 138.** 2001 2nd sp.s. c 7 s 138 (uncodified) is amended to read  
20 as follows:

21 **FOR THE DEPARTMENT OF REVENUE**

22 General Fund--State Appropriation (FY 2002) . .	\$ 72,820,000
23 General Fund--State Appropriation (FY 2003) . .	\$ ((72,387,000))
24	<u>77,948,000</u>
25 Timber Tax Distribution Account--State	
26 Appropriation . . . . .	\$ 5,131,000
27 Waste Education/Recycling/Litter Control--State	
28 Appropriation . . . . .	\$ 101,000
29 State Toxics Control Account--State	
30 Appropriation . . . . .	\$ 67,000
31 Oil Spill Administration Account--State	
32 Appropriation . . . . .	\$ 14,000
33 <u>Multimodal Transportation Account--State</u>	
34 <u>Appropriation . . . . .</u>	<u>\$ 115,000</u>
35 TOTAL APPROPRIATION . . . . .	\$ ((150,520,000))
36	<u>156,196,000</u>

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

3 \$269,000 of the general fund--state appropriation for fiscal year  
4 2002 and \$49,000 of the general fund--state appropriation for fiscal  
5 year 2003 are provided solely to establish and provide staff support to  
6 a committee on taxation to study the elasticity, equity, and adequacy  
7 of the state's tax system.

8 (1) The committee shall consist of eleven members. The department  
9 shall appoint six academic scholars from the fields of economics,  
10 taxation, business administration, public administration, public  
11 policy, and other relevant disciplines as determined by the department,  
12 after consulting with the majority and minority leaders in the senate,  
13 the co-speakers in the house of representatives, the chair of the ways  
14 and means committee in the senate, and the co-chairs of the finance  
15 committee in the house of representatives. The governor and the chairs  
16 of the majority and minority caucuses in each house of the legislature  
17 shall each appoint one member to the committee. These appointments may  
18 be legislative members. The members of the committee shall either  
19 elect a voting chair from among their membership or a nonvoting chair  
20 who is not a member of the committee. Members of the committee shall  
21 serve without compensation but shall be reimbursed for travel expenses  
22 under RCW 43.03.050 and 43.03.060.

23 (2) The purpose of the study is to determine how well the current  
24 tax system functions and how it might be changed to better serve the  
25 citizens of the state in the twenty-first century. In reviewing  
26 options for changes to the tax system, the committee shall develop  
27 multiple alternatives to the existing tax system. To the extent  
28 possible, the alternatives shall be designed to increase the harmony  
29 between the tax system of this state and the surrounding states,  
30 encourage commerce and business creation, and encourage home ownership.  
31 In developing alternatives, the committee shall examine and consider  
32 the effects of tax incentives, including exemptions, deferrals, and  
33 credits. The alternatives shall range from incremental improvements in  
34 the current tax structure to complete replacement of the tax structure.  
35 In conducting the study, the committee shall examine the tax structures  
36 of other states and review previous studies regarding tax reform in  
37 this state. In developing alternatives, the committee shall be guided  
38 by administrative simplicity, economic neutrality, fairness, stability,

1 and transparency. Most of the alternatives presented by the committee  
2 to the legislature shall be revenue neutral and contain no income tax.

3 (3) The department shall create an advisory group to include, but  
4 not be limited to, representatives of business, state agencies, local  
5 governments, labor, taxpayers, and other advocacy groups. The group  
6 shall provide advice and assistance to the committee.

7 (4) The committee shall present a final report of its findings and  
8 alternatives to the ways and means committee in the senate and the  
9 finance committee in the house of representatives by November 30, 2002.

10 **Sec. 139.** 2001 2nd sp.s. c 7 s 139 (uncodified) is amended to read  
11 as follows:

12 **FOR THE BOARD OF TAX APPEALS**

13	General Fund--State Appropriation (FY 2002) . . .	\$	1,193,000
14	General Fund--State Appropriation (FY 2003) . . .	\$	<del>((1,038,000))</del>
15			<u>1,007,000</u>
16	TOTAL APPROPRIATION . . . . .	\$	<del>((2,231,000))</del>
17			<u>2,200,000</u>

18 **Sec. 140.** 2001 2nd sp.s. c 7 s 142 (uncodified) is amended to read  
19 as follows:

20 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

21	General Fund--State Appropriation (FY 2002) . . .	\$	549,000
22	General Fund--State Appropriation (FY 2003) . . .	\$	<del>((630,000))</del>
23			<u>611,000</u>
24	General Fund--Federal Appropriation . . . . .	\$	1,930,000
25	General Fund--Private/Local Appropriation . . . . .	\$	<del>((444,000))</del>
26			<u>223,000</u>
27	State Capitol Vehicle Parking Account--		
28	State Appropriation . . . . .	\$	154,000
29	General Administration Services Account--State		
30	Appropriation . . . . .	\$	<del>((41,419,000))</del>
31			<u>39,546,000</u>
32	TOTAL APPROPRIATION . . . . .	\$	<del>((45,126,000))</del>
33			<u>43,013,000</u>

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

1 (1) The department shall conduct a review of the ultimate  
2 purchasing system to evaluate the following: (a) The degree to which  
3 program objectives and assumptions were achieved; (b) the degree to  
4 which planned schedule of phases, tasks, and activities were  
5 accomplished; (c) an assessment of estimated and actual costs of each  
6 phase; (d) an assessment of project cost recovery/cost avoidance,  
7 return on investment, and measurable outcomes as each relate to the  
8 agency's business functions and other agencies' business functions; and  
9 (e) the degree to which integration with the agency and state  
10 information technology infrastructure was achieved. The department  
11 will receive written input from participating pilot agencies that  
12 describes measurable organizational benefits and cost avoidance  
13 opportunities derived from use of the ultimate purchasing system. The  
14 performance review shall be submitted to the office of financial  
15 management and the appropriate legislative fiscal committees by July 1,  
16 2002.

17 (2) \$60,000 of the general administration services account  
18 appropriation is provided solely for costs associated with the  
19 development of the information technology architecture to link the risk  
20 management information system and the tort division's case management  
21 system, and the reconciliation of defense cost reimbursement  
22 information.

23 (3) The department shall reduce rates for motor pool, consolidated  
24 mail, and other services that state agencies purchase so that client  
25 state agencies realize a total savings of \$1,302,000 in fiscal year  
26 2003.

27 **Sec. 141.** 2001 2nd sp.s. c 7 s 143 (uncodified) is amended to read  
28 as follows:

29 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

30 Data Processing Revolving Account--State

31 Appropriation . . . . . \$ ((~~3,706,000~~))  
32 3,610,000

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

35 (1) Fifteen independent private, nonprofit colleges, located in  
36 Washington state, have requested connection to the K-20 educational  
37 telecommunications network. These K-20 connections shall be provided

1 to the private schools on a full cost reimbursement basis, net of the  
2 value of services and information provided by the private institutions,  
3 based on criteria approved by the K-20 board.

4 (2) Some private K-12 schools have requested limited "pilot  
5 connections" to the K-20 network to test the technical and economic  
6 feasibility of one or more connection models. These K-20 connections  
7 shall be provided to the private K-12 schools on a full cost  
8 reimbursement basis, net of the value of services and information  
9 provided by the private K-12 schools based on criteria approved by the  
10 K-20 board.

11 (3) In the 2001-03 biennium, the department shall incorporate  
12 statewide elements for a common technology infrastructure into the  
13 state strategic information technology plan that state agencies shall  
14 then use in establishing individual agency business applications.

15 (4) The department shall implement the \$10,800,000 service rate  
16 reduction it proposed on August 14, 2000.

17 (5) The department shall reduce rates for data processing and other  
18 computer services so that client state agencies realize a total savings  
19 of \$2,660,000 in fiscal year 2003.

20 **Sec. 142.** 2001 2nd sp.s. c 7 s 144 (uncodified) is amended to read  
21 as follows:

22 **FOR THE INSURANCE COMMISSIONER**

23	General Fund--Federal Appropriation . . . . .	\$	622,000
24	Insurance Commissioners Regulatory Account--State		
25	Appropriation . . . . .	\$	<del>((29,053,000))</del>
26			<u>29,207,000</u>
27	TOTAL APPROPRIATION . . . . .	\$	<del>((29,675,000))</del>
28			<u>29,829,000</u>

29 The appropriations in this section are subject to the following  
30 conditions and limitations: \$693,000 of the insurance commissioner's  
31 regulatory account appropriation is provided solely for moving and  
32 renovation costs associated with the colocation of the agency's  
33 Olympia-area facilities. Expenditures from this amount shall be  
34 subject to the approval of the department of general administration.

35 **Sec. 143.** 2001 2nd sp.s. c 7 s 148 (uncodified) is amended to read  
36 as follows:

1 **FOR THE LIQUOR CONTROL BOARD**

2	General Fund--State Appropriation (FY 2002) . . . \$	1,483,000
3	General Fund--State Appropriation (FY 2003) . . . \$	<del>((1,484,000))</del>
4		<u>1,439,000</u>
5	<u>General Fund--Federal Appropriation . . . . .</u> \$	<u>99,000</u>
6	Liquor Control Board Construction and Maintenance	
7	Account--State Appropriation . . . . . \$	<del>((8,114,000))</del>
8		<u>9,121,000</u>
9	Liquor Revolving Account--State	
10	Appropriation . . . . . \$	<del>((142,148,000))</del>
11		<u>125,927,000</u>
12	TOTAL APPROPRIATION . . . . . \$	<del>((153,229,000))</del>
13		<u>138,069,000</u>

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

16 (1) \$1,573,000 of the liquor revolving account appropriation is  
17 provided solely for the agency information technology upgrade. This  
18 amount provided in this subsection is conditioned upon satisfying the  
19 requirements of section 902 of this act.

20 (2) \$4,803,000 of the liquor revolving account appropriation is  
21 provided solely for the costs associated with the development and  
22 implementation of a merchandising business system. Expenditures of any  
23 funds for this system are conditioned upon the approval of the  
24 merchandising business system's feasibility study by the information  
25 services board. The amount provided in this subsection is also  
26 conditioned upon satisfying the requirements of section 902 of this  
27 act.

28 **Sec. 144.** 2001 2nd sp.s. c 7 s 149 (uncodified) is amended to read  
29 as follows:

30 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

31	Public Service Revolving Account--State	
32	Appropriation . . . . . \$	<del>((27,108,000))</del>
33		<u>27,102,000</u>
34	Pipeline Safety Account--State	
35	Appropriation . . . . . \$	3,305,000
36	Pipeline Safety Account--Federal	
37	Appropriation . . . . . \$	822,000

1 TOTAL APPROPRIATION . . . . . \$ ((31,235,000))  
2 31,229,000

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

5 (1) \$3,011,000 of the pipeline safety account--state appropriation  
6 and \$822,000 of the pipeline safety account--federal appropriation are  
7 provided solely for the implementation of Substitute Senate Bill No.  
8 5182 (pipeline safety). If the bill is not enacted by June 30, 2001,  
9 the amount provided in this subsection shall lapse.

10 (2) \$294,000 of the pipeline safety account--state appropriation is  
11 provided solely for an interagency agreement with the joint legislative  
12 audit and review committee for a report on hazardous liquid and gas  
13 pipeline safety programs. The committee shall review staff use,  
14 inspection activity, fee methodology, and costs of the hazardous liquid  
15 and gas pipeline safety programs and report to the appropriate  
16 legislative committees by July 1, 2003. The report shall include a  
17 comparison of interstate and intrastate programs, including but not  
18 limited to the number and complexity of regular and specialized  
19 inspections, mapping requirements for each program, and allocation of  
20 administrative costs to each program. If Substitute Senate Bill No.  
21 5182 (pipeline safety) is not enacted by June 30, 2001, the amount  
22 provided in this section shall lapse.

23 (3) \$50,000 of the public service revolving account--state  
24 appropriation for fiscal year 2002 and \$350,000 of the public service  
25 revolving account--state appropriation for fiscal year 2003 are  
26 provided solely for implementation of Substitute House Bill No. 2845  
27 (utilities and transportation commission). If the bill is not enacted  
28 by June 30, 2002, the amount provided in this subsection shall lapse.

29 **Sec. 145.** 2001 2nd sp.s. c 7 s 150 (uncodified) is amended to read  
30 as follows:

31 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**  
32 Volunteer Firefighters' Relief and Pension  
33 Administrative Account--State  
34 Appropriation . . . . . \$ 569,000

35 **Sec. 146.** 2001 2nd sp.s. c 7 s 151 (uncodified) is amended to read  
36 as follows:



1 **FOR THE MILITARY DEPARTMENT**

2	General Fund--State Appropriation (FY 2002) . . .	\$	9,165,000
3	General Fund--State Appropriation (FY 2003) . . .	\$	<del>((8,979,000))</del>
4			<u>8,816,000</u>
5	General Fund--Federal Appropriation . . . . .	\$	22,509,000
6	General Fund--Private/Local Appropriation . . .	\$	234,000
7	Enhanced 911 Account--State Appropriation . . .	\$	<del>((16,544,000))</del>
8			<u>17,451,000</u>
9	Disaster Response Account--State Appropriation	\$	<del>((582,000))</del>
10			<u>1,906,000</u>
11	Disaster Response Account--Federal Appropriation	\$	<del>((3,392,000))</del>
12			<u>6,510,000</u>
13	Worker and Community Right to Know Fund--State		
14	Appropriation . . . . .	\$	283,000
15	Nisqually Earthquake Account--State		
16	Appropriation . . . . .	\$	<del>((37,884,000))</del>
17			<u>29,027,000</u>
18	Nisqually Earthquake Account--Federal		
19	Appropriation . . . . .	\$	<del>((157,795,000))</del>
20			<u>49,641,000</u>
21	TOTAL APPROPRIATION . . . . .	\$	<del>((257,367,000))</del>
22			<u>145,542,000</u>

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

25 (1) ~~((582,000))~~ \$1,906,000 of the disaster response account--state  
26 appropriation is provided solely for the state share of response and  
27 recovery costs associated with federal emergency management agency  
28 (FEMA) disasters approved in the 1999-01 biennium budget. The military  
29 department may, upon approval of the director of financial management,  
30 use portions of the disaster response account--state appropriation to  
31 offset costs of new disasters occurring before June 30, 2003. The  
32 military department shall submit a report quarterly to the office of  
33 financial management and the legislative fiscal committees detailing  
34 disaster costs, including: (a) Estimates of total costs; (b)  
35 incremental changes from the previous estimate; (c) actual  
36 expenditures; (d) estimates of total remaining costs to be paid; and  
37 (d) estimates of future payments by biennium. This information shall  
38 be displayed by individual disaster, by fund, and by type of

1 assistance. The military department shall also submit a report  
2 quarterly to the office of financial management and the legislative  
3 fiscal committees detailing information on the disaster response  
4 account, including: (a) The amount and type of deposits into the  
5 account; (b) the current available fund balance as of the reporting  
6 date; and (c) the projected fund balance at the end of the 2001-03  
7 biennium based on current revenue and expenditure patterns.

8 (2) \$100,000 of the general fund--state fiscal year 2002  
9 appropriation and \$100,000 of the general fund--state fiscal year 2003  
10 appropriation are provided solely for implementation of the conditional  
11 scholarship program pursuant to chapter 28B.103 RCW.

12 (3) \$60,000 of the general fund--state appropriation for fiscal  
13 year 2002 and \$60,000 of the general fund--state appropriation for  
14 fiscal year 2003 are provided solely for the implementation of Senate  
15 Bill No. 5256 (emergency management compact). If the bill is not  
16 enacted by June 30, 2001, the amounts provided in this subsection shall  
17 lapse.

18 (4) \$35,000 of the general fund--state fiscal year 2002  
19 appropriation and \$35,000 of the general fund--state fiscal year 2003  
20 appropriation are provided solely for the north county emergency  
21 medical service.

22 (5) (~~(\$1,374,000)~~) \$2,145,000 of the Nisqually earthquake account--  
23 state appropriation and (~~(\$3,861,000)~~) \$4,174,000 of the Nisqually  
24 earthquake account--federal appropriation are provided solely for the  
25 military department's costs associated with coordinating the state's  
26 response to the February 28, 2001, earthquake.

27 (6) (~~(\$1,347,000)~~) \$678,000 of the Nisqually earthquake account--  
28 state appropriation and (~~(\$5,359,000)~~) \$3,420,000 of the Nisqually  
29 earthquake account--federal appropriation are provided solely for  
30 mitigation costs associated with the earthquake for state and local  
31 agencies. Of the amount from the Nisqually earthquake account--state  
32 appropriation, (~~(\$898,000)~~) \$217,000 is provided for the state matching  
33 share for state agencies and (~~(\$449,000)~~) \$462,000 is provided for one-  
34 half of the local matching share for local entities. The amount  
35 provided for the local matching share constitutes a revenue  
36 distribution for purposes of RCW 43.135.060(1).

37 (7) (~~(\$35,163,000)~~) \$8,970,000 of the Nisqually earthquake  
38 account--state appropriation and (~~(\$148,575,000)~~) \$42,047,000 of the  
39 Nisqually earthquake account--federal appropriation are provided solely

1 for public assistance costs associated with the earthquake for state  
 2 and local agencies. Of the amount from the Nisqually earthquake  
 3 account--state appropriation, (~~(\$20,801,000)~~) \$3,924,000 is provided  
 4 for the state matching share for state agencies and (~~(\$14,362,000)~~)  
 5 \$5,046,000 is provided for one-half of the local matching share for  
 6 local entities. The amount provided for the local matching share  
 7 constitutes a revenue distribution for purposes of RCW 43.135.060(1).  
 8 (~~Upon approval of the director of financial management, the military~~  
 9 ~~department may use portions of the Nisqually earthquake account--state~~  
 10 ~~appropriations to cover other response and recovery costs associated~~  
 11 ~~with the Nisqually earthquake that are not eligible for federal~~  
 12 ~~emergency management agency reimbursement. The military department is~~  
 13 ~~to submit a quarterly report detailing the costs authorized under this~~  
 14 ~~subsection to the office of financial management and the legislative~~  
 15 ~~fiscal committees.))~~)

16 (8) \$17,234,000 of the Nisqually earthquake account--state  
 17 appropriation is provided solely to cover other response and recovery  
 18 costs associated with the Nisqually earthquake that are not eligible  
 19 for federal emergency management agency reimbursement. Prior to  
 20 expending funds provided in the subsection, the military department  
 21 shall obtain prior approval of the director of financial management.  
 22 Prior to approving any single project of over \$1,000,000, the office of  
 23 financial management shall notify the fiscal committees of the  
 24 legislature. The military department is to submit a quarterly report  
 25 detailing the costs authorized under this subsection to the office of  
 26 financial management and the legislative fiscal committees.

27 (9) \$106,000 of the general fund--state appropriation for fiscal  
 28 year 2003 is provided solely for implementation of Substitute House  
 29 Bill No. 2853 (terrorism/infrastructure). If the bill is not enacted  
 30 by June 30, 2002, the amount provided in this subsection shall lapse.

31 **Sec. 147.** 2001 2nd sp.s. c 7 s 152 (uncodified) is amended to read  
 32 as follows:

33 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

34	General Fund--State Appropriation (FY 2002) . . . \$	( <del>2,154,000</del> )
35		<u>2,225,000</u>
36	General Fund--State Appropriation (FY 2003) . . . \$	( <del>2,164,000</del> )
37		<u>2,292,000</u>
38	TOTAL APPROPRIATION . . . . . \$	( <del>4,318,000</del> )

1 4,517,000

2 **Sec. 148.** 2001 2nd sp.s. c 7 s 153 (uncodified) is amended to read  
3 as follows:

4 **FOR THE GROWTH PLANNING HEARINGS BOARD**

5	General Fund--State Appropriation (FY 2002) . . . \$	1,497,000
6	General Fund--State Appropriation (FY 2003) . . . \$	<del>((1,506,000))</del>
7		<u>1,461,000</u>
8	TOTAL APPROPRIATION . . . . . \$	<del>((3,003,000))</del>
9		<u>2,958,000</u>

10 (End of part)



1 a specified purpose except as expressly provided in (b) of this  
2 subsection (3).

3 (b) To the extent that transfers under (a) of this subsection (3)  
4 are insufficient to fund actual expenditures in excess of fiscal year  
5 2002 caseload forecasts and utilization assumptions in the medical  
6 assistance, long-term care, foster care, adoption support, and child  
7 support programs, the department may transfer state moneys that are  
8 provided solely for a specified purpose after approval by the director  
9 of financial management.

10 (c) The director of financial management shall notify the  
11 appropriate fiscal committees of the senate and house of  
12 representatives in writing prior to approving any allotment  
13 modifications or transfers under this subsection.

14 (4) In the event the department receives additional unrestricted  
15 federal funds or achieves savings in excess of that anticipated in this  
16 act, the department shall use up to \$5,000,000 of such funds to  
17 initiate a pilot project providing integrated support services to  
18 homeless individuals needing mental health services, alcohol or  
19 substance abuse treatment, medical care, or who demonstrate community  
20 safety concerns. Before such a pilot project is initiated, the  
21 department shall notify the fiscal committees of the legislature of the  
22 plans for such a pilot project including the source of funds to be  
23 used.

24 **Sec. 202.** 2001 2nd sp.s. c 7 s 202 (uncodified) is amended to read  
25 as follows:

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

28	General Fund--State Appropriation (FY 2002) . . . \$	<del>((225,789,000))</del>
29		<u>225,104,000</u>
30	General Fund--State Appropriation (FY 2003) . . . \$	<del>((239,013,000))</del>
31		<u>220,411,000</u>
32	General Fund--Federal Appropriation . . . . . \$	<del>((372,408,000))</del>
33		<u>369,226,000</u>
34	General Fund--Private/Local Appropriation . . . \$	400,000
35	Public Safety and Education Account--	
36	State Appropriation . . . . . \$	<del>((987,000))</del>
37		<u>967,000</u>
38	Violence Reduction and Drug Enforcement Account--	

1	State Appropriation . . . . .	\$	((5,702,000))
2			<u>3,598,000</u>
3	TOTAL APPROPRIATION . . . . .	\$	((844,299,000))
4			<u>819,706,000</u>

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

7 (1) \$2,237,000 of the fiscal year 2002 general fund--state  
8 appropriation, (~~(\$2,288,000)~~) \$2,274,000 of the fiscal year 2003  
9 general fund--state appropriation, and (~~(\$1,590,000)~~) \$1,585,000 of the  
10 general fund--federal appropriation are provided solely for the  
11 category of services titled "intensive family preservation services."

12 (2) (~~(\$685,000)~~) \$644,000 of the general fund--state fiscal year  
13 (~~(2002)~~) 2003 appropriation and (~~(\$701,000)~~) \$654,000 of the general  
14 fund--(~~(state fiscal year 2003)~~) federal appropriation are provided to  
15 contract for (~~(the operation of one)~~) facility and nonfacility-based  
16 pediatric interim care ((facility)) services. (~~(The facility shall~~  
17 ~~provide residential care for up to thirteen children through two years~~  
18 ~~of age. Seventy-five percent of the children served by the facility~~  
19 ~~must be in need of special care as a result of substance abuse by their~~  
20 ~~mothers. The facility shall also provide on-site training to~~  
21 ~~biological, adoptive, or foster parents. The facility shall provide at~~  
22 ~~least three months of consultation and support to parents accepting~~  
23 ~~placement of children from the facility. The facility may recruit new~~  
24 ~~and current foster and adoptive parents for infants served by the~~  
25 ~~facility. The department shall not require case management as a~~  
26 ~~condition of the contract.~~

27 ~~—(3) \$524,000 of the general fund--state fiscal year 2002~~  
28 ~~appropriation and \$536,000 of the general fund--state fiscal year 2003~~  
29 ~~appropriation are provided for up to three nonfacility-based programs~~  
30 ~~for the training, consultation, support, and recruitment of biological,~~  
31 ~~foster, and adoptive parents of children through age three in need of~~  
32 ~~special care as a result of substance abuse by their mothers, except~~  
33 ~~that each program may serve up to three medically fragile nonsubstance-~~  
34 ~~abuse-affected children. In selecting nonfacility-based programs,~~  
35 ~~preference shall be given to programs whose federal or private funding~~  
36 ~~sources have expired or that have successfully performed under the~~  
37 ~~existing pediatric interim care program.~~

1 ~~(4) \$1,260,000 of the fiscal year 2002 general fund--state~~  
2 ~~appropriation, \$1,248,000 of the fiscal year 2003 general fund--state~~  
3 ~~appropriation, and \$4,196,000 of the violence reduction and drug~~  
4 ~~enforcement account appropriation are provided solely for the family~~  
5 ~~policy council and community public health and safety networks. The~~  
6 ~~funding level for the family policy council and community public health~~  
7 ~~and safety networks represents a 25 percent reduction below the funding~~  
8 ~~level for the 1999-2001 biennium. Funding levels shall be reduced 25~~  
9 ~~percent for both the family policy council and network grants.~~  
10 ~~Reductions to network grants shall be allocated so as to maintain~~  
11 ~~current funding levels, to the greatest extent possible, for projects~~  
12 ~~with the strongest evidence of positive outcomes and for networks with~~  
13 ~~substantial compliance with contracts for network grants.~~

14 ~~(5))~~ (3) \$2,215,000 of the fiscal year 2002 general fund--state  
15 appropriation, \$4,394,000 of the fiscal year 2003 general fund--state  
16 appropriation, and \$5,604,000 of the general fund--federal  
17 appropriation are provided solely for reducing the average caseload  
18 level per case-carrying social worker. Average caseload reductions are  
19 intended to increase the amount of time social workers spend in direct  
20 contact with the children, families, and foster parents involved with  
21 their open cases. The department shall use some of the funds provided  
22 in several local offices to increase staff that support case-carrying  
23 social workers in ways that will allow social workers to increase  
24 direct contact time with children, families, and foster parents. To  
25 achieve the goal of reaching an average caseload ratio of 1:24 by the  
26 end of fiscal year 2003, the department shall develop a plan for  
27 redeploying 30 FTEs to case-carrying social worker and support  
28 positions from other areas in the children and family services budget.  
29 The FTE redeployment plan shall be submitted to the fiscal committees  
30 of the legislature by December 1, 2001.

31 ~~((6))~~ (4) \$1,000,000 of the fiscal year 2002 general fund--state  
32 appropriation and \$1,000,000 of the fiscal year 2003 general fund--  
33 state appropriation are provided solely for increasing foster parent  
34 respite care services that improve the retention of foster parents and  
35 increase the stability of foster placements. The department shall  
36 report quarterly to the appropriate committees of the legislature  
37 progress against appropriate baseline measures for foster parent  
38 retention and stability of foster placements.



1        ~~((7))~~ (5) \$1,050,000 of the general fund--federal appropriation  
2 is provided solely for increasing kinship care placements for children  
3 who otherwise would likely be placed in foster care. These funds shall  
4 be used for extraordinary costs incurred by relatives at the time of  
5 placement, or for extraordinary costs incurred by relatives after  
6 placement if such costs would likely cause a disruption in the kinship  
7 care placement. \$50,000 of the funds provided shall be contracted to  
8 the Washington institute for public policy to conduct a study of  
9 kinship care placements. The study shall examine the prevalence and  
10 needs of families who are raising related children and shall compare  
11 services and policies of Washington state with other states that have  
12 a higher rate of kinship care placements in lieu of foster care  
13 placements. The study shall identify possible changes in services and  
14 policies that are likely to increase appropriate kinship care  
15 placements.

16        ~~((8))~~ (6) \$3,386,000 of the fiscal year 2002 general fund--state  
17 appropriation, ~~((7,671,000))~~ \$6,708,000 of the fiscal year 2003  
18 general fund--state appropriation, and ~~((20,819,000))~~ \$20,142,000 of  
19 the general fund--federal appropriation are provided solely for  
20 increases in the cost per case for foster care and adoption support.  
21 \$16,000,000 of the general fund--federal amount shall remain unallotted  
22 until the office of financial management approves a plan submitted by  
23 the department to achieve a higher rate of federal earnings in the  
24 foster care program. That plan shall also be submitted to the fiscal  
25 committees of the legislature and shall indicate projected federal  
26 revenue compared to actual fiscal year 2001 levels. Within the amounts  
27 provided for foster care, the department shall increase the basic rate  
28 for foster care to an average of \$420 per month on July 1, 2001~~((, and~~  
29 ~~to an average of \$440 per month on July 1, 2002))~~. The department  
30 shall use the remaining funds provided in this subsection to pay for  
31 increases in the cost per case for foster care and adoption support.  
32 The department shall seek to control rate increases and reimbursement  
33 decisions for foster care and adoption support cases such that the cost  
34 per case for family foster care, group care, receiving homes, and  
35 adoption support does not exceed the amount assumed in the projected  
36 caseload expenditures plus the amounts provided in this subsection.

37        ~~((9))~~ (8) \$1,767,000 of the general fund--state appropriation for  
38 fiscal year 2002, ~~((2,461,000))~~ \$1,767,000 of the general fund--state  
39 appropriation for fiscal year 2003, and ~~((1,485,000))~~ \$1,241,000 of

1 the general fund--federal appropriation are provided solely for rate  
2 and capacity increases for child placing agencies. Child placing  
3 agencies shall increase their capacity by 15 percent in fiscal year  
4 2002 (~~and 30 percent in fiscal year 2003~~).

5 ~~((10) The department shall provide secure crisis residential~~  
6 ~~facilities across the state in a manner that: (a) Retains geographic~~  
7 ~~provision of these services; and (b) retains beds in high use areas.~~

8 ~~---(11))~~ (9) \$125,000 of the general fund--state appropriation for  
9 fiscal year 2002 and \$125,000 of the general fund--state appropriation  
10 for fiscal year 2003 are provided solely for a foster parent retention  
11 program. This program is directed at foster parents caring for  
12 children who act out sexually, as described in House Bill No. 1525  
13 (foster parent retention program).

14 (10) Sufficient funds are provided in this section to implement  
15 House Bill No. 2459 (children's programs/services).

16 **Sec. 203.** 2001 2nd sp.s. c 7 s 203 (uncodified) is amended to read  
17 as follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**  
19 **REHABILITATION PROGRAM**

20	(1) COMMUNITY SERVICES	
21	General Fund--State Appropriation (FY 2002) . . . \$	<del>((36,625,000))</del>
22		<u>34,767,000</u>
23	General Fund--State Appropriation (FY 2003) . . . \$	<del>((38,125,000))</del>
24		<u>30,243,000</u>
25	General Fund--Federal Appropriation . . . . . \$	<del>((14,609,000))</del>
26		<u>13,193,000</u>
27	General Fund--Private/Local Appropriation . . . \$	<del>((380,000))</del>
28		<u>375,000</u>
29	Juvenile Accountability Incentive	
30	Account--Federal Appropriation . . . . . \$	9,361,000
31	Public Safety and Education	
32	Account--State Appropriation . . . . . \$	<del>((6,196,000))</del>
33		<u>5,023,000</u>
34	Violence Reduction and Drug Enforcement Account--	
35	State Appropriation . . . . . \$	<del>((21,972,000))</del>
36		<u>21,903,000</u>
37	TOTAL APPROPRIATION . . . . . \$	<del>((127,268,000))</del>
38		<u>114,865,000</u>

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

3 (a) \$686,000 of the violence reduction and drug enforcement account  
4 appropriation is provided solely for deposit in the county criminal  
5 justice assistance account for costs to the criminal justice system  
6 associated with the implementation of chapter 338, Laws of 1997  
7 (juvenile code revisions). The amounts provided in this subsection are  
8 intended to provide funding for county adult court costs associated  
9 with the implementation of chapter 338, Laws of 1997 and shall be  
10 distributed in accordance with RCW 82.14.310.

11 (b) \$5,980,000 of the violence reduction and drug enforcement  
12 account appropriation is provided solely for the implementation of  
13 chapter 338, Laws of 1997 (juvenile code revisions). The amounts  
14 provided in this subsection are intended to provide funding for county  
15 impacts associated with the implementation of chapter 338, Laws of 1997  
16 and shall be distributed to counties as prescribed in the current  
17 consolidated juvenile services (CJS) formula.

18 (c) \$1,161,000 of the general fund--state appropriation for fiscal  
19 year 2002, \$1,162,000 of the general fund--state appropriation for  
20 fiscal year 2003, and \$5,190,000 of the violence reduction and drug  
21 enforcement account appropriation are provided solely to implement  
22 community juvenile accountability grants pursuant to chapter 338, Laws  
23 of 1997 (juvenile code revisions). Funds provided in this subsection  
24 may be used solely for community juvenile accountability grants,  
25 administration of the grants, and evaluations of programs funded by the  
26 grants.

27 (d) \$2,515,000 of the violence reduction and drug enforcement  
28 account appropriation is provided solely to implement alcohol and  
29 substance abuse treatment programs for locally committed offenders.  
30 The juvenile rehabilitation administration shall award these moneys on  
31 a competitive basis to counties that submitted a plan for the provision  
32 of services approved by the division of alcohol and substance abuse.  
33 The juvenile rehabilitation administration shall develop criteria for  
34 evaluation of plans submitted and a timeline for awarding funding and  
35 shall assist counties in creating and submitting plans for evaluation.

36 (e) \$100,000 of the general fund--state appropriation for fiscal  
37 year 2002 and \$100,000 of the general fund--state appropriation for  
38 fiscal year 2003 are provided solely for juvenile rehabilitation

1 administration to contract with the institute for public policy for  
2 responsibilities assigned in chapter 338, Laws of 1997 (juvenile code  
3 revisions).

4 (f) \$100,000 of the general fund--state appropriation for fiscal  
5 year 2002 and \$100,000 of the general fund--state appropriation for  
6 fiscal year 2003 are provided solely for a contract for expanded  
7 services of the teamchild project.

8 (g) \$423,000 of the general fund--state appropriation for fiscal  
9 year 2002, (~~(\$924,000)~~) \$787,000 of the general fund--state  
10 appropriation for fiscal year 2003, (~~(\$174,000)~~) \$148,000 of the  
11 general fund--federal appropriation, (~~(\$196,000)~~) \$177,000 of the  
12 public safety and education assistance account appropriation, and  
13 (~~(\$690,000)~~) \$621,000 of the violence reduction and drug enforcement  
14 account appropriation are provided solely to increase payment rates for  
15 contracted service providers.

16 (h) \$16,000 of the general fund--state appropriation for fiscal  
17 year 2002 and \$16,000 of the general fund--state appropriation for  
18 fiscal year 2003 are provided solely for the implementation of chapter  
19 167, Laws of 1999 (firearms on school property). The amounts provided  
20 in this subsection are intended to provide funding for county impacts  
21 associated with the implementation of chapter 167, Laws of 1999, and  
22 shall be distributed to counties as prescribed in the current  
23 consolidated juvenile services (CJS) formula.

24 (i) \$3,441,000 of the general fund--state appropriation for fiscal  
25 year 2002 (~~(and \$3,441,000 of the general fund--state appropriation for~~  
26 ~~fiscal year 2003 are)~~) is provided solely for distribution to county  
27 juvenile court administrators to fund the costs of processing truancy,  
28 children in need of services, and at-risk youth petitions. The  
29 department shall not retain any portion of these funds to cover  
30 administrative or any other departmental costs. The department, in  
31 conjunction with the juvenile court administrators, shall develop an  
32 equitable funding distribution formula. The formula shall neither  
33 reward counties with higher than average per-petition processing costs  
34 nor shall it penalize counties with lower than average per-petition  
35 processing costs.

36 (j) (~~(\$6,000,000)~~) \$4,941,000 of the public safety and education  
37 account--state appropriation is provided solely for distribution to  
38 county juvenile court administrators to fund the costs of processing  
39 truancy, children in need of services, and at-risk youth petitions. To

1 the extent that distributions made under (i) and (j) of this subsection  
2 and pursuant to section 801 of this act exceed actual costs of  
3 processing truancy, children in need of services, and at-risk youth  
4 petitions, the department, in consultation with the respective juvenile  
5 court administrator and the county, may approve expenditure of funds  
6 provided in this subsection on other costs of the civil or criminal  
7 justice system. When this occurs, the department shall notify the  
8 office of financial management and the legislative fiscal committees.  
9 The department shall not retain any portion of these funds to cover  
10 administrative or any other departmental costs. The department, in  
11 conjunction with the juvenile court administrators, shall develop an  
12 equitable funding distribution formula. The formula shall neither  
13 reward counties with higher than average per-petition processing costs  
14 nor shall it penalize counties with lower than average per-petition  
15 processing costs.

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

21 (l) Each quarter during the 2001-03 fiscal biennium, each county  
22 shall report the number of petitions processed and the total actual  
23 costs of processing the petitions in each of the following categories:  
24 Truancy, children in need of services, and at-risk youth. Counties  
25 shall submit the reports to the department no later than 45 days after  
26 the end of the quarter. The department shall forward this information  
27 to the chair and ranking minority member of the house of  
28 representatives appropriations committee and the senate ways and means  
29 committee no later than 60 days after a quarter ends. These reports  
30 are deemed informational in nature and are not for the purpose of  
31 distributing funds.

32 (m) \$1,692,000 of the juvenile accountability incentive account--  
33 federal appropriation is provided solely for the continued  
34 implementation of a pilot program to provide for postrelease planning  
35 and treatment of juvenile offenders with co-occurring disorders.

36 (n) \$22,000 of the violence reduction and drug enforcement account  
37 appropriation is provided solely for the evaluation of the juvenile  
38 offender co-occurring disorder pilot program implemented pursuant to  
39 (m) of this subsection.

1 (o) \$900,000 of the general fund--state appropriation for fiscal  
 2 year 2002 and (~~(\$900,000)~~) \$150,000 of the general fund--state  
 3 appropriation for fiscal year 2003 are provided solely for the  
 4 continued implementation of the juvenile violence prevention grant  
 5 program established in section 204, chapter 309, Laws of 1999.

6 (p) \$33,000 of the general fund--state appropriation for fiscal  
 7 year 2002 and \$29,000 of the general fund--state appropriation for  
 8 fiscal year 2003 are provided solely for the implementation of House  
 9 Bill No. 1070 (juvenile offender basic training). If the bill is not  
 10 enacted by June 30, 2001, the amounts provided in this subsection shall  
 11 lapse.

12 (q) \$21,000 of the general fund--state appropriation for fiscal  
 13 year 2002 and \$42,000 of the general fund--state appropriation for  
 14 fiscal year 2003 are provided solely for the implementation of Senate  
 15 Bill No. 5468 (chemical dependency). If the bill is not enacted by  
 16 June 30, 2001, the amounts provided in this subsection shall lapse.

17 (r) The juvenile rehabilitation administration, in consultation  
 18 with the juvenile court administrators, may agree on a formula to allow  
 19 the transfer of funds among amounts appropriated for consolidated  
 20 juvenile services, community juvenile accountability act grants, the  
 21 chemically dependent disposition alternative, and the special sex  
 22 offender disposition alternative.

23 (2) INSTITUTIONAL SERVICES

24	General Fund--State Appropriation (FY 2002) . . . \$	( <del>(46,773,000)</del> )
25		<u>46,857,000</u>
26	General Fund--State Appropriation (FY 2003) . . . \$	( <del>(48,735,000)</del> )
27		<u>43,197,000</u>
28	( <del>General Fund--Federal Appropriation . . . . .</del> )	<del>(\$14,000)</del>
29	General Fund--Private/Local Appropriation . . . \$	( <del>(740,000)</del> )
30		<u>735,000</u>
31	Violence Reduction and Drug Enforcement Account--	
32	State Appropriation . . . . . \$	15,280,000
33	TOTAL APPROPRIATION . . . . . \$	( <del>(111,542,000)</del> )
34		<u>106,069,000</u>

35 The appropriations in this subsection are subject to the following  
 36 conditions and limitations: \$40,000 of the general fund--state  
 37 appropriation for fiscal year 2002 and (~~(\$84,000)~~) \$71,000 of the

1 general fund--state appropriation for fiscal year 2003 are provided  
2 solely to increase payment rates for contracted service providers.

3 (3) PROGRAM SUPPORT

4	General Fund--State Appropriation (FY 2002) . . . \$	1,738,000
5	General Fund--State Appropriation (FY 2003) . . . \$	<del>((1,765,000))</del>
6		<u>1,766,000</u>
7	General Fund--Federal Appropriation . . . . . \$	<del>((307,000))</del>
8		<u>306,000</u>
9	Juvenile Accountability Incentive Account--Federal	
10	Appropriation . . . . . \$	1,100,000
11	Violence Reduction and Drug Enforcement Account--	
12	State Appropriation . . . . . \$	421,000
13	TOTAL APPROPRIATION . . . . . \$	5,331,000

14 **Sec. 204.** 2001 2nd sp.s. c 7 s 204 (uncodified) is amended to read  
15 as follows:

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

17 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

18	General Fund--State Appropriation (FY 2002) . . . \$	<del>((191,089,000))</del>
19		<u>195,266,000</u>
20	General Fund--State Appropriation (FY 2003) . . . \$	<del>((194,884,000))</del>
21		<u>181,973,000</u>
22	General Fund--Federal Appropriation . . . . . \$	<del>((339,077,000))</del>
23		<u>358,517,000</u>
24	General Fund--Local Appropriation . . . . . \$	<del>((4,363,000))</del>
25		<u>21,133,000</u>
26	Health Services Account--State	
27	Appropriation . . . . . \$	2,450,000
28	TOTAL APPROPRIATION . . . . . \$	<del>((731,863,000))</del>
29		<u>759,339,000</u>

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

32 (a) Regional support networks shall use portions of the general  
33 fund--state appropriation for implementation of working agreements with  
34 the vocational rehabilitation program which will maximize the use of  
35 federal funding for vocational programs.

36 (b) From the general fund--state appropriations in this subsection,  
37 the secretary of social and health services shall assure that regional

1 support networks reimburse the aging and adult services program for the  
2 general fund--state cost of medicaid personal care services that  
3 enrolled regional support network consumers use because of their  
4 psychiatric disability.

5 (c) \$388,000 of the general fund--state appropriation for fiscal  
6 year 2002, (~~(\$1,927,000)~~) \$2,829,000 of the general fund--state  
7 appropriation for fiscal year 2003, and (~~(\$2,349,000)~~) \$3,157,000 of  
8 the general fund--federal appropriation are provided solely for  
9 development and operation of community residential and support services  
10 for persons whose treatment needs constitute substantial barriers to  
11 community placement and who no longer require active psychiatric  
12 treatment at an inpatient hospital level of care, no longer meet the  
13 criteria for inpatient involuntary commitment, and who are clinically  
14 ready for discharge from a state psychiatric hospital. In the event  
15 that enough patients are not transitioned or diverted from the state  
16 hospitals to close at least two hospital wards by July 2002, and  
17 (~~(two)~~) four additional wards by April 2003, a proportional share of  
18 these funds shall be transferred to the appropriations in subsection  
19 (2) of this section to support continued care of the patients in the  
20 state hospitals. Primary responsibility and accountability for  
21 provision of appropriate community support for persons placed with  
22 these funds shall reside with the mental health program and the  
23 regional support networks, with partnership and active support from the  
24 alcohol and substance abuse and from the aging and adult services  
25 programs. The department shall negotiate performance-based incentive  
26 contracts (~~(with those regional support networks which have the most~~  
27 ~~viable plans for providing appropriate community support services for~~  
28 ~~significant numbers of persons from their area who would otherwise be~~  
29 ~~served in the state hospitals)~~) to provide appropriate community  
30 support services for individuals leaving the state hospitals under this  
31 subsection. The department shall first seek to contract with regional  
32 support networks before offering a contract to any other party. The  
33 funds appropriated in this subsection shall not be considered  
34 "available resources" as defined in RCW 71.24.025 and are not subject  
35 to the standard allocation formula applied in accordance with RCW  
36 71.24.035(13)(a).

37 (d) At least \$1,000,000 of the federal block grant funding  
38 appropriated in this subsection shall be used for (i) initial  
39 development, training, and operation of the community support teams



1 which will work with long-term state hospital residents prior and  
2 subsequent to their return to the community; and (ii) development of  
3 support strategies which will reduce the unnecessary and excessive use  
4 of state and local hospitals for short-term crisis stabilization  
5 services. Such strategies may include training and technical  
6 assistance to community long-term care and substance abuse providers;  
7 the development of diversion beds and stabilization support teams;  
8 examination of state hospital policies regarding admissions; and the  
9 development of new contractual standards to assure that the statutory  
10 requirement that 85 percent of short-term detentions be managed locally  
11 is being fulfilled. The department shall report to the fiscal and  
12 policy committees of the legislature on the results of these efforts by  
13 November 1, 2001, and again by November 1, 2002.

14 (e) The department is authorized to implement a new formula for  
15 allocating available resources among the regional support networks.  
16 The distribution formula shall use the number of persons eligible for  
17 the state medical programs funded under chapter 74.09 RCW as the  
18 measure of the requirement for the number of acutely mentally ill,  
19 chronically mentally ill, severely emotionally disturbed children, and  
20 seriously disturbed in accordance with RCW 71.24.035(13)(a). The new  
21 formula shall be phased in over a period of no less than six years.  
22 Furthermore, the department shall increase the medicaid capitation  
23 rates which a regional support network would otherwise receive under  
24 the formula by an amount sufficient to assure that total funding  
25 allocated to the regional support network in fiscal year 2002 increases  
26 by up to (~~(2.1)~~) 3.5 percent over the amount actually paid to that  
27 regional support network in fiscal year 2001, and by up to an  
28 additional (~~(2.3)~~) 5.0 percent in fiscal year 2003, if total funding to  
29 the regional support network would otherwise increase by less than  
30 those percentages under the new formula, and provided that the  
31 nonfederal share of the higher medicaid payment rate is provided by the  
32 regional support network from local funds.

33 (f) Within funds appropriated in this subsection, the department  
34 shall contract with the Clark county regional support network for  
35 development and operation of a project demonstrating collaborative  
36 methods for providing intensive mental health services in the school  
37 setting for severely emotionally disturbed children who are medicaid  
38 eligible. Project services are to be delivered by teachers and  
39 teaching assistants who qualify as, or who are under the supervision

1 of, mental health professionals meeting the requirements of chapter  
2 275-57 WAC. The department shall increase medicaid payments to the  
3 regional support network by the amount necessary to cover the necessary  
4 and allowable costs of the demonstration, not to exceed the upper  
5 payment limit specified for the regional support network in the  
6 department's medicaid waiver agreement with the federal government  
7 after meeting all other medicaid spending requirements assumed in this  
8 subsection. The regional support network shall provide the department  
9 with (i) periodic reports on project service levels, methods, and  
10 outcomes; and (ii) an intergovernmental transfer equal to the state  
11 share of the increased medicaid payment provided for operation of this  
12 project.

13 (g) The health services account appropriation is provided solely  
14 for implementation of strategies which the department and the affected  
15 regional support networks conclude will best assure continued  
16 availability of community-based inpatient psychiatric services in all  
17 areas of the state. Such strategies may include, but are not limited  
18 to, emergency contracts for continued operation of inpatient facilities  
19 otherwise at risk of closure because of demonstrated uncompensated  
20 care; start-up grants for development of evaluation and treatment  
21 facilities; and increases in the rate paid for inpatient psychiatric  
22 services for medically indigent and/or general assistance for the  
23 unemployed patients. The funds provided in this subsection must be:  
24 (i) Prioritized for use in those areas of the state which are at  
25 greatest risk of lacking sufficient inpatient psychiatric treatment  
26 capacity, rather than being distributed on a formula basis; (ii)  
27 prioritized for use by those hospitals which do not receive low-income  
28 disproportionate share hospital payments as of the date of application  
29 for funding; and (iii) matched on a one-quarter local, three-quarters  
30 state basis by funding from the regional support network or networks in  
31 the area in which the funds are expended. Payments from the amount  
32 provided in this subsection shall not be made to any provider that has  
33 not agreed that, except for prospective rate increases, the payment  
34 shall offset, on a dollar-for-dollar basis, any liability that may be  
35 established against, or any settlement that may be agreed to by the  
36 state, regarding the rate of state reimbursement for inpatient  
37 psychiatric care. The funds provided in this subsection shall not be  
38 considered "available resources" as defined in RCW 71.24.025 and are

1 not subject to the distribution formula established pursuant to RCW  
2 71.24.035.

3 (h) The department shall assure that each regional support network  
4 increases spending on direct client services in fiscal years 2002 and  
5 2003 by at least the same percentage as the total state, federal, and  
6 local funds allocated to the regional support network in those years  
7 exceeds the amounts allocated to it in fiscal year 2001.

8 (i) The department shall reduce state funding otherwise payable to  
9 a regional support network in fiscal years 2002 and 2003 by the full  
10 amount by which the regional support network's reserves and fund  
11 balances as of December 31, 2001, exceed the required risk reserve for  
12 that regional support network. The required reserve amount shall be  
13 calculated by applying the risk reserve percentage specified in the  
14 department's contract with the regional support network to the total  
15 state and federal revenues for which the regional support network would  
16 otherwise be eligible in accordance with this subsection. As used in  
17 this subsection, "reserves" does not include capital project reserves  
18 established in accordance with state accounting and reporting standards  
19 before January 1, 2002.

20 (j) The department shall maintain the same relative allocation of  
21 budgeted, nonforensic state hospital beds among the regional support  
22 networks as was in effect during fiscal year 2002 until at least thirty  
23 days after adjournment of the first regular legislative session  
24 following submission of a report on the appropriate allocation of these  
25 beds. In preparing the report, the department shall: (i) Utilize the  
26 most current and reliable applicable academic research, and shall  
27 consult with academic and other national experts on mental health  
28 inpatient care; (ii) estimate the relative need for short-term and  
29 long-term inpatient psychiatric care in each of the state's regions,  
30 based upon the factors that the experts identify as the best predictors  
31 of need, including geographic proximity to the hospitals; and (iii)  
32 identify options for changing the current distribution of state  
33 hospital beds among the regional support networks. The report shall be  
34 prepared in consultation with representatives of people with mental  
35 illness and the regional support networks, and shall be submitted to  
36 appropriate committees of the legislature. This subsection does not  
37 prohibit the replacement of current state hospital beds with community  
38 alternatives as provided elsewhere in this section.



1 person and their treatment plan; assessed their strengths, preferences,  
2 and needs; arranged a safe, clinically-appropriate, and stable place  
3 for them to live; assured that other needed medical, behavioral, and  
4 social services are in place; and is contracted to monitor the person's  
5 progress on an ongoing basis. The department and the regional support  
6 networks shall endeavor to assure that hospital patients are able to  
7 return to their area of origin, and that placements are not  
8 concentrated in proximity to the hospitals.

9 (d) For each month subsequent to the month in which a state  
10 hospital bed has been closed in accordance with (c) of this subsection,  
11 the mental health program shall transfer to the medical assistance  
12 program state funds equal to the state share of the monthly per capita  
13 expenditure amount estimated for categorically needy-disabled persons  
14 in the most recent forecast of medical assistance expenditures.

15 (e) The department shall report to the appropriate committees of  
16 the legislature by November 1, 2001, and by November 1, 2002, on its  
17 plans for and progress toward achieving the objectives set forth in (c)  
18 of this subsection.

19 (3) CIVIL COMMITMENT

20	General Fund--State Appropriation (FY 2002) . . . \$	((20,037,000))
21		<u>18,017,000</u>
22	General Fund--State Appropriation (FY 2003) . . . \$	((22,441,000))
23		<u>20,085,000</u>
24	TOTAL APPROPRIATION . . . . . \$	((42,478,000))
25		<u>38,102,000</u>

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

28 (a) (~~(\$2,062,000)~~) \$1,587,000 of the general fund--state  
29 appropriation for fiscal year 2002 and (~~(\$3,698,000)~~) \$2,646,000 of the  
30 general fund--state appropriation for fiscal year 2003 are provided  
31 solely for operational costs associated with a less restrictive step-  
32 down placement facility on McNeil Island.

33 (b) (~~(\$1,000,000 of the general fund--state appropriation for~~  
34 ~~fiscal year 2002 and \$1,000,000 of the general fund--state~~  
35 ~~appropriation for fiscal year 2003 are provided solely for mitigation~~  
36 ~~funding for jurisdictions affected by the placement of less restrictive~~  
37 ~~alternative facilities for persons conditionally released from the~~  
38 ~~special commitment center facility being constructed on McNeil Island.~~

1 ~~(c)~~) By October 1, 2001, the department shall report to the office  
2 of financial management and the fiscal committees of the house of  
3 representatives and senate detailing information on plans for  
4 increasing the efficiency of staffing patterns at the new civil  
5 commitment center facility being constructed on McNeil Island.

6 (4) SPECIAL PROJECTS

7	General Fund--State Appropriation (FY 2002) . . . . .	\$	444,000
8	General Fund--State Appropriation (FY 2003) . . . . .	\$	443,000
9	General Fund--Federal Appropriation . . . . .	\$	2,082,000
10	TOTAL APPROPRIATION . . . . .	\$	2,969,000

11 (5) PROGRAM SUPPORT

12	General Fund--State Appropriation (FY 2002) . . . . .	\$	3,104,000
13	General Fund--State Appropriation (FY 2003) . . . . .	\$	<del>((3,231,000))</del>
14			<u>3,233,000</u>
15	General Fund--Federal Appropriation . . . . .	\$	<del>((5,796,000))</del>
16			<u>5,794,000</u>
17	TOTAL APPROPRIATION . . . . .	\$	12,131,000

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

20 (a) \$113,000 of the general fund--state appropriation for fiscal  
21 year 2002, \$125,000 of the general fund--state appropriation for fiscal  
22 year 2003, and \$164,000 of the general fund--federal appropriation are  
23 provided solely for the institute for public policy to evaluate the  
24 impacts of chapter 214, Laws of 1999 (mentally ill offenders), chapter  
25 217, Laws of 2000 (atypical anti-psychotic medications), chapter 297,  
26 Laws of 1998 (commitment of mentally ill persons), and chapter 334,  
27 Laws of 2001 (mental health performance audit).

28 (b) \$168,000 of the general fund--state appropriation for fiscal  
29 year 2002, \$243,000 of the general fund--state appropriation for fiscal  
30 year 2003, and \$411,000 of the general fund--federal appropriation are  
31 provided solely for the development and implementation of a uniform  
32 outcome-oriented performance measurement system to be used in  
33 evaluating and managing the community mental health service delivery  
34 system consistent with the recommendations contained in the joint  
35 legislative audit and review committee's audit of the public mental  
36 health system. Once implemented, the use of performance measures will  
37 allow comparison of measurement results to established standards and

1 benchmarks among regional support networks, service providers, and  
 2 against other states. The department shall provide a report to the  
 3 appropriate committees of the legislature on the development and  
 4 implementation of the use of performance measures by October 2002.

5 (c) \$125,000 of the general fund--state appropriation for fiscal  
 6 year 2002, \$125,000 of the general fund--state appropriation for fiscal  
 7 year 2003, and \$250,000 of the general fund--federal appropriation are  
 8 provided solely for a study of the prevalence of mental illness among  
 9 the state's regional support networks. The study shall examine how  
 10 reasonable estimates of the prevalence of mental illness relate to the  
 11 incidence of persons enrolled in medical assistance programs in each  
 12 regional support network area. In conducting this study, the  
 13 department shall consult with the joint legislative audit and review  
 14 committee, regional support networks, community mental health  
 15 providers, and mental health consumer representatives. The department  
 16 shall submit a final report on its findings to the fiscal, health care,  
 17 and human services committees of the legislature by November 1, 2003.

18 **Sec. 205.** 2001 2nd sp.s. c 7 s 205 (uncodified) is amended to read  
 19 as follows:

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

22 In the event that the cumulative expenditure pattern for this  
 23 program indicates that fiscal year appropriations are insufficient to  
 24 cover program costs, the department shall take necessary steps to  
 25 reduce expenditures so that total program costs will not exceed the  
 26 annual appropriation authority. The department will notify the fiscal  
 27 committees of the legislature prior to taking such action.

28 (1) COMMUNITY SERVICES

29	General Fund--State Appropriation (FY 2002) . . . . .	\$	<del>((231,693,000))</del>
30			<u>233,964,000</u>
31	General Fund--State Appropriation (FY 2003) . . . . .	\$	<del>((242,347,000))</del>
32			<u>243,617,000</u>
33	General Fund--Federal Appropriation . . . . .	\$	<del>((396,151,000))</del>
34			<u>401,227,000</u>
35	Health Services Account--State		
36	Appropriation . . . . .	\$	<del>((741,000))</del>
37			<u>903,000</u>

1 TOTAL APPROPRIATION . . . . . \$ ((870,932,000))  
2 879,711,000

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

5 (a) The health services account appropriation and ((~~\$753,000~~))  
6 \$904,000 of the general fund--federal appropriation are provided solely  
7 for health care benefits for home care workers with family incomes  
8 below 200 percent of the federal poverty level who are employed through  
9 state contracts for twenty hours per week or more. Premium payments  
10 for individual provider home care workers shall be made only to the  
11 subsidized basic health plan. Home care agencies may obtain coverage  
12 either through the basic health plan or through an alternative plan  
13 with substantially equivalent benefits.

14 (b) \$902,000 of the general fund--state appropriation for fiscal  
15 year 2002, \$3,372,000 of the general fund--state appropriation for  
16 fiscal year 2003, and \$4,056,000 of the general fund--federal  
17 appropriation are provided solely for community services for residents  
18 of residential habilitation centers (RHCs) who are able to be  
19 adequately cared for in community settings and who choose to live in  
20 those community settings. The department shall ensure that the average  
21 cost per day for all program services other than start-up costs shall  
22 not exceed \$280. If the number and timing of residents choosing to  
23 move into community settings is not sufficient to achieve the RHC  
24 cottage consolidation plan assumed in the appropriations in subsection  
25 (2) of this section, the department shall transfer sufficient  
26 appropriations from this subsection to subsection (2) of this section  
27 to cover the added costs incurred in the RHCs. The department shall  
28 report to the appropriate committees of the legislature, within 45 days  
29 following each fiscal year quarter, the number of residents moving into  
30 community settings and the actual expenditures for all community  
31 services to support those residents.

32 (c) ((~~\$1,440,000~~)) \$1,153,000 of the general fund--state  
33 appropriation for fiscal year 2002, ((~~\$3,041,000~~)) \$3,054,000 of the  
34 general fund--state appropriation for fiscal year 2003, and  
35 ((~~\$4,311,000~~)) \$4,031,000 of the general fund--federal appropriation  
36 are provided solely for expanded community services for persons with  
37 developmental disabilities who also have community protection issues or  
38 are diverted or discharged from state psychiatric hospitals. The



1 department shall ensure that the average cost per day for all program  
2 services other than start-up costs shall not exceed \$275. The  
3 department shall report to the appropriate committees of the  
4 legislature, within 45 days following each fiscal year quarter, the  
5 number of persons served with these additional community services,  
6 where they were residing, what kinds of services they were receiving  
7 prior to placement, and the actual expenditures for all community  
8 services to support these clients.

9 (d) (~~(\$1,005,000)~~) \$259,000 of the general fund--state  
10 appropriation for fiscal year 2002, (~~(\$2,262,000)~~) \$354,000 of the  
11 general fund--state appropriation for fiscal year 2003, and  
12 (~~(\$2,588,000)~~) \$485,000 of the general fund--federal appropriation are  
13 provided solely for increasing case/resource management resources to  
14 improve oversight and quality of care for persons enrolled in the  
15 medicaid home and community services waiver for persons with  
16 developmental disabilities. The department shall not increase total  
17 enrollment in home and community based waivers for persons with  
18 developmental disabilities except for (~~(increases)~~) changes assumed in  
19 additional funding provided in subsections (b) and (c) of this section.  
20 Prior to submitting to the health care financing authority any  
21 (~~(additional)~~) new or renewed home and community based waiver requests  
22 for persons with developmental disabilities, the department shall  
23 submit a summary of the waiver request to the appropriate committees of  
24 the legislature. The summary shall include eligibility criteria,  
25 program description, enrollment projections and limits, and budget and  
26 cost effectiveness projections that distinguish the requested waiver  
27 from other existing or proposed waivers.

28 (e) \$1,000,000 of the general fund--state appropriation for fiscal  
29 year 2002 and \$1,000,000 of the general fund--state appropriation for  
30 fiscal year 2003 are provided solely for employment, or other day  
31 activities and training programs, for young adults with developmental  
32 disabilities who complete their high school curriculum in 2001 or 2002.  
33 These services are intended to assist with the transition to work and  
34 more independent living. Funding shall be used to the greatest extent  
35 possible for vocational rehabilitation services matched with federal  
36 funding. In recent years, the state general fund appropriation for  
37 employment and day programs has been underspent. These surpluses,  
38 built into the carry forward level budget, shall be redeployed for high  
39 school transition services.

1 (f) \$369,000 of the fiscal year 2002 general fund--state  
2 appropriation and \$369,000 of the fiscal year 2003 general fund--state  
3 appropriation are provided solely for continuation of the autism pilot  
4 project started in 1999.

5 (g) \$4,049,000 of the general fund--state appropriation for fiscal  
6 year 2002, \$1,734,000 of the general fund--state appropriation for  
7 fiscal year 2003, and \$5,369,000 of the general fund--federal  
8 appropriation are provided solely to increase compensation by an  
9 average of fifty cents per hour for low-wage workers providing state-  
10 funded services to persons with developmental disabilities. These  
11 funds, along with funding provided for vendor rate increases, are  
12 sufficient to raise wages an average of fifty cents and cover the  
13 employer share of unemployment and social security taxes on the amount  
14 of the wage increase. In consultation with the statewide associations  
15 representing such agencies, the department shall establish a mechanism  
16 for testing the extent to which funds have been used for this purpose,  
17 and report the results to the fiscal committees of the legislature by  
18 February 1, 2002.

19 (h) Up to \$10,000,000 of funding for existing family support shall  
20 be provided as supplemental security income (SSI) state supplemental  
21 payments to the parent or legal guardian, on behalf of an eligible  
22 individual, and shall be considered a benefit to the eligible  
23 individual. Individuals receiving family support payments shall not  
24 become eligible for medical assistance under RCW 74.09.510 due solely  
25 to the receipt of the SSI state supplemental payment. The department  
26 shall reassess individuals who are on the home and community based  
27 waiver primarily for family support for transition to SSI state  
28 supplemental payments. The department in coordination with the  
29 economic services administration will create an application and process  
30 for determining eligibility of applicants. Eligibility shall require  
31 at least the following: (i) A statement that the family resides in  
32 this state, (ii) verification that the eligible individual meets the  
33 definition of developmental disability in RCW 71A.10.020, (iii) a  
34 statement that the eligible individual resides, or is expected to  
35 reside, with his or her parent or legal guardian or, another relative,  
36 and (iv) verification that the taxable income for the family for the  
37 year immediately preceding the date of application did not exceed 200  
38 percent of the federal poverty level, unless it can be verified that  
39 the taxable income for the year in which the application is made will

1 be less than 200 percent of the federal poverty level. The department,  
 2 in coordination with the economic services administration, will report  
 3 to the appropriate committees of the legislature on implementation of  
 4 this subsection (h) by December 1, 2002.

5 (2) INSTITUTIONAL SERVICES

6	General Fund--State Appropriation (FY 2002) . . . \$	((71,977,000))
7		<u>71,729,000</u>
8	General Fund--State Appropriation (FY 2003) . . . \$	((69,303,000))
9		<u>68,084,000</u>
10	General Fund--Federal Appropriation . . . . . \$	((145,641,000))
11		<u>143,199,000</u>
12	General Fund--Private/Local Appropriation . . . \$	((10,230,000))
13		<u>11,230,000</u>
14	TOTAL APPROPRIATION . . . . . \$	((297,151,000))
15		<u>294,242,000</u>

16 The appropriations in this subsection are subject to the following  
 17 conditions and limitations: Pursuant to RCW 71A.12.160, if residential  
 18 habilitation center capacity is not being used for permanent residents,  
 19 the department may make residential habilitation center vacancies  
 20 available for respite care and any other services needed to care for  
 21 clients who are not currently being served in a residential  
 22 habilitation center and whose needs require staffing levels similar to  
 23 current residential habilitation center residents. Providing respite  
 24 care shall not impede the department's ability to consolidate cottages  
 25 as assumed in the appropriations in this subsection.

26 (3) PROGRAM SUPPORT

27	General Fund--State Appropriation (FY 2002) . . . \$	((2,601,000))
28		<u>1,711,000</u>
29	General Fund--State Appropriation (FY 2003) . . . \$	((2,623,000))
30		<u>1,737,000</u>
31	General Fund--Federal Appropriation . . . . . \$	((2,413,000))
32		<u>2,442,000</u>
33	<u>Telecommunications Devices for the Hearing and</u>	
34	<u>Speech Impaired Account Appropriation . . . . . \$</u>	<u>1,767,000</u>
35	TOTAL APPROPRIATION . . . . . \$	((7,637,000))
36		<u>7,657,000</u>

1 The appropriations in this subsection are subject to the following  
 2 conditions and limitations: (~~(\$50,000 of the fiscal year 2002 general~~  
 3 ~~fund--state appropriation and \$50,000 of the fiscal year 2003 general~~  
 4 ~~fund--state appropriation are)) \$100,000 of the telecommunications  
 5 devices for the hearing and speech impaired account appropriation is  
 6 provided solely for increasing the contract amount for the southeast  
 7 Washington deaf and hard of hearing services center due to increased  
 8 workload.~~

9 (4) SPECIAL PROJECTS

10 General Fund--Federal Appropriation . . . . . \$ 11,995,000

11 **Sec. 206.** 2001 2nd sp.s. c 7 s 206 (uncodified) is amended to read  
 12 as follows:

13 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**  
 14 **SERVICES PROGRAM**

15	General Fund--State Appropriation (FY 2002) . . . . .	\$	<del>((518,911,000))</del>
16			<u>506,255,000</u>
17	General Fund--State Appropriation (FY 2003) . . . . .	\$	<del>((537,907,000))</del>
18			<u>507,687,000</u>
19	General Fund--Federal Appropriation . . . . .	\$	<del>((1,078,417,000))</del>
20			<u>1,030,349,000</u>
21	General Fund--Private/Local Appropriation . . . . .	\$	<del>((4,324,000))</del>
22			<u>4,245,000</u>
23	Health Services Account--State		
24	Appropriation . . . . .	\$	4,523,000
25	TOTAL APPROPRIATION . . . . .	\$	<del>((2,144,082,000))</del>
26			<u>2,053,059,000</u>

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

29 (1) The entire health services account appropriation, \$1,210,000 of  
 30 the general fund--state appropriation for fiscal year 2002, \$1,423,000  
 31 of the general fund--state appropriation for fiscal year 2003, and  
 32 \$6,794,000 of the general fund--federal appropriation are provided  
 33 solely for health care benefits for home care workers who are employed  
 34 through state contracts for at least twenty hours per week. Premium  
 35 payments for individual provider home care workers shall be made only  
 36 to the subsidized basic health plan, and only for persons with incomes  
 37 below 200 percent of the federal poverty level. Home care agencies may

1 obtain coverage either through the basic health plan or through an  
2 alternative plan with substantially equivalent benefits.

3 (2) \$1,706,000 of the general fund--state appropriation for fiscal  
4 year 2002 and \$1,706,000 of the general fund--state appropriation for  
5 fiscal year 2003, plus the associated vendor rate increase for each  
6 year, are provided solely for operation of the volunteer chore services  
7 program.

8 (3) For purposes of implementing chapter 74.46 RCW, the weighted  
9 average nursing facility payment rate shall be no more than \$128.79 for  
10 fiscal year 2002, and no more than (~~(\$134.45)~~) \$127.46 for fiscal year  
11 2003. For all facilities, the therapy care, support services, and  
12 operations component rates established in accordance with chapter 74.46  
13 RCW shall be adjusted for economic trends and conditions by 2.1 percent  
14 effective July 1, 2001, and by an additional (~~(2.3)~~) 2.0 percent  
15 effective (~~(July)~~) September 1, 2002. For case-mix facilities, direct  
16 care component rates established in accordance with chapter 74.46 RCW  
17 shall also be adjusted for economic trends and conditions by 2.1  
18 percent effective July 1, 2001, and by an additional (~~(2.3)~~) 2.0  
19 percent effective (~~(July)~~) September 1, 2002. Additionally, to  
20 facilitate the transition to a fully case-mix based direct care payment  
21 system, the median price per case-mix unit for each of the applicable  
22 direct care peer groups shall be increased on a one-time basis by 2.64  
23 percent effective July 1, 2002.

24 (4) In accordance with Substitute House Bill No. 2242 (nursing home  
25 rates), the department shall issue certificates of capital  
26 authorization which result in up to \$10 million of increased asset  
27 value completed and ready for occupancy in fiscal year 2003; in up to  
28 \$27 million of increased asset value completed and ready for occupancy  
29 in fiscal year 2004; and in up to \$27 million of increased asset value  
30 completed and ready for occupancy in fiscal year 2005.

31 (5) Adult day health services shall not be considered a duplication  
32 of services for persons receiving care in long-term care settings  
33 licensed under chapter 18.20, 72.36, or 70.128 RCW.

34 (6) Within funds appropriated in this section and in section 204 of  
35 this act, the aging and adult services program shall coordinate with  
36 and actively support the efforts of the mental health program and of  
37 the regional support networks to provide stable community living  
38 arrangements for persons with dementia and traumatic brain injuries who  
39 have been long-term residents of the state psychiatric hospitals. The

1 aging and adult services program shall report to the health care and  
2 fiscal committees of the legislature by November 1, 2001, and by  
3 November 1, 2002, on the actions it has taken to achieve this  
4 objective.

5 (7) Within funds appropriated in this section and in section 204 of  
6 this act, the aging and adult services program shall devise and  
7 implement strategies in partnership with the mental health program and  
8 the regional support networks to reduce the use of state and local  
9 psychiatric hospitals for the short-term stabilization of persons with  
10 dementia and traumatic brain injuries. Such strategies may include  
11 training and technical assistance to help long-term care providers  
12 avoid and manage behaviors which might otherwise result in psychiatric  
13 hospitalizations; monitoring long-term care facilities to assure  
14 residents are receiving appropriate mental health care and are not  
15 being inappropriately medicated or hospitalized; the development of  
16 diversion beds and stabilization support teams; and the establishment  
17 of systems to track the use of psychiatric hospitals by long-term care  
18 providers. The aging and adult services program shall report to the  
19 health care and fiscal committees of the legislature by November 1,  
20 2001, and by November 1, 2002, on the actions it has taken to achieve  
21 this objective.

22 (8) In accordance with Substitute House Bill No. 1341, the  
23 department may implement two medicaid waiver programs for persons who  
24 do not qualify for such services as categorically needy, subject to  
25 federal approval and the following conditions and limitations:

26 (a) One waiver program shall include coverage of home-based  
27 services, and the second shall include coverage of care in community  
28 residential facilities. Enrollment in the waiver covering home-based  
29 services shall not exceed (~~(150)~~) 15 persons by the end of fiscal year  
30 2002, nor (~~(200)~~) 163 persons by the end of fiscal year 2003.  
31 Enrollment in the waiver covering community residential services shall  
32 not exceed (~~(500)~~) 50 persons by the end of fiscal year 2002, nor  
33 (~~(900)~~) 600 persons by the end of fiscal year 2003.

34 (b) For each month of waiver service delivered to a person who was  
35 not covered by medicaid prior to their enrollment in the waiver, the  
36 aging and adult services program shall transfer to the medical  
37 assistance program state and federal funds equal to the monthly per  
38 capita expenditure amount, net of drug rebates, estimated for medically

1 needy-aged persons in the most recent forecast of medical assistance  
2 expenditures.

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

6 (d) The department shall track and report to health care and fiscal  
7 committees of the legislature by November 15, 2002, on the types of  
8 long-term care support a sample of waiver participants were receiving  
9 prior to their enrollment in the waiver, how those services were being  
10 paid for, and an assessment of their adequacy.

11 (9) \$50,000 of the general fund--state appropriation for fiscal  
12 year 2002 and \$50,000 of the general fund--state appropriation for  
13 fiscal year 2003 are provided solely for payments to any nursing  
14 facility licensed under chapter 18.51 RCW which meets all of the  
15 following criteria: (a) The nursing home entered into an arm's length  
16 agreement for a facility lease prior to January 1, 1980; (b) the lessee  
17 purchased the leased nursing home after January 1, 1980; and (c) the  
18 lessor defaulted on its loan or mortgage for the assets of the home  
19 after January 1, 1991, and prior to January 1, 1992. Payments provided  
20 pursuant to this subsection shall not be subject to the settlement,  
21 audit, or rate-setting requirements contained in chapter 74.46 RCW.

22 (10) \$364,000 of the general fund--state appropriation for fiscal  
23 year 2002, \$364,000 of the general fund--state appropriation for fiscal  
24 year 2003, and \$740,000 of the general fund--federal appropriation are  
25 provided solely for payment of exceptional care rates so that persons  
26 with Alzheimer's disease and related dementias who might otherwise  
27 require nursing home or state hospital care can instead be served in  
28 boarding home-licensed facilities which specialize in the care of such  
29 conditions.

30 (11) From funds appropriated in this section, the department shall  
31 increase compensation for individual and for agency home care  
32 providers. Payments to individual home care providers are to be  
33 increased from \$7.18 per hour to \$7.68 per hour on July 1, 2001.  
34 Payments to agency providers are to be increased to \$13.30 per hour on  
35 July 1, 2001, and to \$13.44 per hour on July 1, 2002. All but 18 cents  
36 per hour of the July 1, 2001, increase to agency providers is to be  
37 used to increase wages for direct care workers. The appropriations in  
38 this section also include the funds needed for the employer share of

1 unemployment and social security taxes on the amount of the wage  
2 increase required by this subsection.

3 (12) \$2,507,000 of the general fund--state appropriation for fiscal  
4 year 2002, \$2,595,000 of the general fund--state appropriation for  
5 fiscal year 2003, and \$5,100,000 of the general fund--federal  
6 appropriation are provided solely for prospective rate increases  
7 intended to increase compensation by an average of fifty cents per hour  
8 for low-wage workers in agencies which contract with the state to  
9 provide community residential services for persons with functional  
10 disabilities. In consultation with the statewide associations  
11 representing such agencies, the department shall establish a mechanism  
12 for testing the extent to which funds have been used for this purpose,  
13 and report the results to the fiscal committees of the legislature by  
14 February 1, 2002. The amounts in this subsection also include the  
15 funds needed for the employer share of unemployment and social security  
16 taxes on the amount of the wage increase.

17 (13) \$1,082,000 of the general fund--state appropriation for fiscal  
18 year 2002, \$1,082,000 of the general fund--state appropriation for  
19 fiscal year 2003, and \$2,204,000 of the general fund--federal  
20 appropriation are provided solely for prospective rate increases  
21 intended to increase compensation for low-wage workers in nursing homes  
22 which contract with the state. For fiscal year 2002, the department  
23 shall add forty-five cents per patient day to the direct care rate  
24 which would otherwise be paid to each nursing facility in accordance  
25 with chapter 74.46 RCW. For fiscal year 2003, the department shall  
26 increase the median price per case-mix unit for each of the applicable  
27 peer groups by six-tenths of one percent in order to distribute the  
28 available funds. Beginning July 1, 2002, for a specific nursing  
29 facility to be eligible for the rate increases provided in this  
30 subsection, the facility shall submit the following to the department:

31 (a) Proof of a legally binding, written commitment to increase the  
32 salaries, wages, or benefits of existing and newly hired low-wage  
33 workers, excluding managers, administrators, and contract employees,  
34 during the rate year;

35 (b) Proof of the existence of a method of enforcement of the  
36 commitment, such as arbitration, that is available to the employees or  
37 their representative, and proof that such a method is expeditious, uses  
38 a neutral decision maker, and is economical for the employees; and



1 (c) Proof that the specific nursing facility has provided written  
2 notice of the terms of the commitment and the availability of the  
3 enforcement mechanism to the relevant employees or their recognized  
4 representatives.

5 (14) In consultation with the statewide associations representing  
6 nursing facilities, the department shall establish a mechanism for  
7 testing the extent to which funds have been used for ((this)) the  
8 purposes of subsection (13) of this section, and report the results to  
9 the fiscal committees of the legislature by February 1, ((2002)) 2003.

10 (15) \$43,000 of the general fund--state appropriation for fiscal  
11 year 2003 and \$42,000 of the general fund--federal appropriation are  
12 provided solely for the implementation of Substitute House Bill No.  
13 2604 (unemployment compensation). If the bill is not enacted by June  
14 30, 2002, the amounts provided in this subsection shall lapse.

15 (16) In the event that the cumulative expenditure pattern for this  
16 program indicates that fiscal year appropriations are insufficient to  
17 cover program costs, the department shall take necessary steps to  
18 reduce expenditures so that total program costs will not exceed the  
19 annual appropriation authority. The department will notify the fiscal  
20 committees of the legislature prior to taking such action.

21 **Sec. 207.** 2001 2nd sp.s. c 7 s 207 (uncodified) is amended to read  
22 as follows:

23 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES**  
24 **PROGRAM**

25	General Fund--State Appropriation (FY 2002) . . . \$	<del>((436,440,000))</del>
26		<u>442,984,000</u>
27	General Fund--State Appropriation (FY 2003) . . . \$	<del>((424,870,000))</del>
28		<u>397,519,000</u>
29	General Fund--Federal Appropriation . . . . . \$	<del>((1,356,351,000))</del>
30		<u>1,359,544,000</u>
31	General Fund--Private/Local Appropriation . . . \$	<del>((31,788,000))</del>
32		<u>33,880,000</u>
33	TOTAL APPROPRIATION . . . . . \$	<del>((2,249,449,000))</del>
34		<u>2,233,927,000</u>

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

1           (1) (~~(\$282,081,000)~~) \$281,035,000 of the general fund--state  
2 appropriation for fiscal year 2002, (~~(\$278,277,000)~~) \$277,231,000 of  
3 the general fund--state appropriation for fiscal year 2003,  
4 \$1,254,197,000 of the general fund--federal appropriation, and  
5 (~~(\$29,352,000)~~) \$31,444,000 of the general fund--local appropriation  
6 are provided solely for the WorkFirst program and child support  
7 operations. WorkFirst expenditures include TANF grants, diversion  
8 services, subsidized child care, employment and training, other  
9 WorkFirst related services, allocated field services operating costs,  
10 and allocated economic services program administrative costs. Within  
11 the amounts provided in this subsection, the department shall:

12           (a) Continue to implement WorkFirst program improvements that are  
13 designed to achieve progress against outcome measures specified in RCW  
14 74.08A.410. Valid outcome measures of job retention and wage  
15 progression shall be developed and reported quarterly to appropriate  
16 fiscal and policy committees of the legislature for families who leave  
17 assistance, measured after 12 months, 24 months, and 36 months. An  
18 increased attention to job retention and wage progression is necessary  
19 to emphasize the legislature's goal that the WorkFirst program succeed  
20 in helping recipients gain long-term economic independence and not  
21 cycle on and off public assistance. The wage progression measure shall  
22 report the median percentage increase in quarterly earnings and hourly  
23 wage after 12 months, 24 months, and 36 months. The wage progression  
24 report shall also report the percent with earnings above one hundred  
25 percent and two hundred percent of the federal poverty level. The  
26 report shall compare former WorkFirst participants with similar workers  
27 who did not participate in WorkFirst. The department shall also report  
28 the percentage of families who have returned to temporary assistance  
29 for needy families after 12 months, 24 months, and 36 months.

30           (b) Develop informational materials that educate families about the  
31 difference between cash assistance and work support benefits. These  
32 materials must explain, among other facts, that the benefits are  
33 designed to support their employment, that there are no time limits on  
34 the receipt of work support benefits, and that immigration or residency  
35 status will not be affected by the receipt of benefits. These  
36 materials shall be posted in all community service offices and  
37 distributed to families. Materials must be available in multiple  
38 languages. When a family leaves the temporary assistance for needy  
39 families program, receives cash diversion assistance, or withdraws a

1 temporary assistance for needy families application, the department of  
2 social and health services shall educate them about the difference  
3 between cash assistance and work support benefits and offer them the  
4 opportunity to begin or to continue receiving work support benefits, so  
5 long as they are eligible. The department shall provide this  
6 information through in-person interviews, over the telephone, and/or  
7 through the mail. Work support benefits include food stamps, medicaid  
8 for all family members, medicaid or state children's health insurance  
9 program for children, and child care assistance. The department shall  
10 report annually to the legislature the number of families who have had  
11 exit interviews, been reached successfully by phone, and been sent  
12 mail. The report shall also include the percentage of families who  
13 elect to continue each of the benefits and the percentage found  
14 ineligible by each substantive reason code. A substantive reason code  
15 shall not be "other." The report shall identify barriers to informing  
16 families about work support benefits and describe existing and future  
17 actions to overcome such barriers.

18 (c) From the amounts provided in this subsection, provide \$50,000  
19 from the general fund--state appropriation for fiscal year 2002 and  
20 \$50,000 from the general fund--state appropriation for fiscal year 2003  
21 to the Washington institute for public policy for continuation of the  
22 WorkFirst evaluation database.

23 (d) Submit a report by December 1, 2001, to the fiscal committees  
24 of the legislature containing a spending plan for the WorkFirst  
25 program. The plan shall identify how spending levels in the 2001-2003  
26 biennium will be adjusted by June 30, 2003, to be sustainable within  
27 available federal grant levels and the carryforward level of state  
28 funds.

29 (2) (~~(\$48,341,000)~~) \$54,623,000 of the general fund--state  
30 appropriation for fiscal year 2002 and (~~(\$48,341,000)~~) \$45,055,000 of  
31 the general fund--state appropriation for fiscal year 2003 are provided  
32 solely for cash assistance and other services to recipients in the  
33 general assistance--unemployable program. Within these amounts, the  
34 department may expend funds for services that assist recipients to  
35 reduce their dependence on public assistance, provided that  
36 expenditures for these services and cash assistance do not exceed the  
37 funds provided. The department shall make administrative and  
38 eligibility changes, including those described in House Bill No. 3009

1 (social service programs), to the program in order to achieve savings  
2 assumed in this subsection.

3 (3) \$5,632,000 of the general fund--state appropriation for fiscal  
4 year 2002 and (~~(\$5,632,000)~~) \$1,132,000 of the general fund--state  
5 appropriation for fiscal year 2003 are provided solely for the food  
6 assistance program for legal immigrants. The level of benefits shall  
7 be equivalent to the benefits provided by the federal food stamp  
8 program.

9 (4) \$48,000 of the general fund--state appropriation for fiscal  
10 year 2002 is provided solely to implement chapter 111, Laws of 2001  
11 (veterans/Philippines).

12 (5) The department shall apply the provisions of RCW 74.04.005(10)  
13 to simplify resource eligibility policy, make such policy consistent  
14 with other federal public assistance programs, and achieve the  
15 budgetary savings assumed in this section.

16 (6) It is the intent of the legislature that the department shall  
17 comply with federal requirements to maintain aggregate funding for  
18 supplemental security income (SSI) state supplemental payments. Up to  
19 \$10,000,000 in existing funding for family support payments to persons  
20 with developmental disabilities in the developmental disabilities  
21 program shall be provided as SSI state supplemental payments. Any  
22 subsequent increases in the family support program will be provided as  
23 additional SSI state supplemental payments. The department will adjust  
24 the base SSI state supplemental payments as needed for these increases.  
25 Individuals receiving family support payments shall not become eligible  
26 for medical assistance under RCW 74.09.510 solely because they receive  
27 the SSI state supplemental payment. If the number of people receiving  
28 SSI state supplemental payments does not allow for \$10,000,000 in  
29 family support SSI state supplemental payments, the department shall  
30 identify other programs where existing payments can be made as SSI  
31 state supplemental payments to reach that amount.

32 (7) In the event that the cumulative expenditure pattern for this  
33 program indicates that fiscal year appropriations are insufficient to  
34 cover program costs, the department shall take necessary steps to  
35 reduce expenditures so that total program costs will not exceed the  
36 annual appropriation authority. The department will notify the fiscal  
37 committees of the legislature prior to taking such action.



1 ~~---~~(3)) \$1,083,000 of the public safety and education account--state  
 2 appropriation (~~(is)~~) and \$75,000 of the violence reduction and drug  
 3 enforcement account--state appropriation are provided solely for adult  
 4 and juvenile drug courts that have a net loss of federal grant funding  
 5 in state fiscal year 2002 and state fiscal year 2003. This  
 6 appropriation is intended to cover approximately one-half of lost  
 7 federal funding. It is the intent of the legislature to provide state  
 8 assistance to counties to cover a part of lost federal funding for drug  
 9 courts for a maximum of three years.

10 ~~((+4))~~ (3) \$1,993,000 of the public safety and education account--  
 11 state appropriation and \$951,000 of the general fund--federal  
 12 appropriation are provided solely for drug and alcohol treatment for  
 13 SSI clients. The department shall continue research and post-program  
 14 evaluation of these clients to further determine the post-treatment  
 15 utilization of medical services and the service effectiveness of  
 16 consolidation.

17 (4) Within the amounts appropriated in this section, funding is  
 18 provided to implement Second Substitute House Bill No. 2338 (drug  
 19 offender sentencing).

20 **Sec. 209.** 2001 2nd sp.s. c 7 s 209 (uncodified) is amended to read  
 21 as follows:

22 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**  
 23 **PROGRAM**

24	General Fund--State Appropriation (FY 2002) . . .	\$ ((1,028,885,000))
25		<u>1,072,697,000</u>
26	General Fund--State Appropriation (FY 2003) . . .	\$ ((1,130,904,000))
27		<u>1,113,133,000</u>
28	General Fund--Federal Appropriation . . . . .	\$ ((3,637,511,000))
29		<u>4,021,429,000</u>
30	General Fund--Private/Local Appropriation . . .	\$ ((276,147,000))
31		<u>222,272,000</u>
32	Emergency Medical Services and Trauma Care Systems	
33	Trust Account--State Appropriation . . . . .	\$ 9,200,000
34	Health Services Account--State Appropriation . .	\$ ((1,043,310,000))
35		<u>1,511,044,000</u>
36	TOTAL APPROPRIATION . . . . .	\$ ((7,125,957,000))
37		<u>7,949,775,000</u>

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

3 (1) The department shall increase its efforts to restrain the  
4 growth of health care costs. The appropriations in this section  
5 anticipate that the department implements a combination of cost  
6 containment and utilization strategies sufficient to reduce general  
7 fund--state costs by approximately 3 percent below the level projected  
8 for the 2001-03 biennium in the March 2001 forecast plus an additional  
9 \$10,000,000. The department shall report to the fiscal committees of  
10 the legislature by October 1, 2001, on its specific plans and  
11 semiannual targets for accomplishing these savings. The department  
12 shall report again to the fiscal committees by March 1, 2002, and by  
13 September 1, 2002, on actual performance relative to the semiannual  
14 targets. If satisfactory progress is not being made to achieve the  
15 targeted savings, the reports shall include recommendations for  
16 additional or alternative measures to control costs.

17 (2) The department shall continue to extend medicaid eligibility to  
18 children through age 18 residing in households with incomes below 200  
19 percent of the federal poverty level.

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

24 (4) \$502,000 of the health services account appropriation, \$400,000  
25 of the general fund--private/local appropriation, and \$1,676,000 of the  
26 general fund--federal appropriation are provided solely for  
27 implementation of Second Substitute House Bill No. 1058 (breast and  
28 cervical cancer treatment). If the bill is not enacted by June 30,  
29 2001, or if private funding is not contributed equivalent to the  
30 general fund--private/local appropriation, the funds appropriated in  
31 this subsection shall lapse.

32 (5) \$620,000 of the health services account appropriation for  
33 fiscal year 2002, \$1,380,000 of the health services account  
34 appropriation for fiscal year 2003, and \$2,000,000 of the general  
35 fund--federal appropriation are provided solely for implementation of  
36 a "ticket to work" medicaid buy-in program for working persons with  
37 disabilities, operated in accordance with the following conditions:

38 (a) To be eligible, a working person with a disability must have  
39 total income which is less than 450 percent of poverty;

1 (b) Participants shall participate in the cost of the program by  
2 paying (i) a monthly enrollment fee equal to fifty percent of any  
3 unearned income in excess of the medicaid medically needy standard; and  
4 (ii) a monthly premium equal to 5 percent of all unearned income, plus  
5 5 percent of all earned income after disregarding the first sixty-five  
6 dollars of monthly earnings, and half the remainder;

7 (c) The department shall establish more restrictive eligibility  
8 standards than specified in this subsection to the extent necessary to  
9 operate the program within appropriated funds;

10 (d) The department may require point-of-service copayments as  
11 appropriate, except that copayments shall not be so high as to  
12 discourage appropriate service utilization, particularly of  
13 prescription drugs needed for the treatment of psychiatric conditions;  
14 and

15 (e) The department shall establish systems for tracking and  
16 reporting enrollment and expenditures in this program, and the prior  
17 medical assistance eligibility status of new program enrollees. The  
18 department shall additionally survey the prior and current employment  
19 status and approximate hours worked of program enrollees, and report  
20 the results to the fiscal and health care committees of the legislature  
21 by January 15, 2003.

22 (6) From funds appropriated in this section, the department shall  
23 design, implement, and evaluate pilot projects to assist individuals  
24 with at least three different diseases to improve their health, while  
25 reducing total medical expenditures. The projects shall involve (a)  
26 identifying persons who are seriously or chronically ill due to a  
27 combination of medical, social, and functional problems; and (b)  
28 working with the individuals and their care providers to improve  
29 adherence to state-of-the-art treatment regimens. The department shall  
30 report to the health care and the fiscal committees of the legislature  
31 by January 1, 2002, on the particular disease states, intervention  
32 protocols, and delivery mechanisms it proposes to test.

33 (7) Sufficient funds are appropriated in this section for the  
34 department to continue full-scope dental coverage, vision coverage, and  
35 podiatry services for medicaid-eligible adults.

36 (8) The legislature reaffirms that it is in the state's interest  
37 for Harborview medical center to remain an economically viable  
38 component of the state's health care system.



1 (9) \$80,000 of the general fund--state appropriation for fiscal  
2 year 2002, \$80,000 of the general fund--state appropriation for fiscal  
3 year 2003, and \$160,000 of the general fund--federal appropriation are  
4 provided solely for the newborn referral program to provide access and  
5 outreach to reduce infant mortality.

6 (10) \$30,000 of the general fund--state appropriation for fiscal  
7 year 2002, \$31,000 of the general fund--state appropriation for fiscal  
8 year 2003, and \$62,000 of the general fund--federal appropriation are  
9 provided solely for implementation of Substitute Senate Bill No. 6020  
10 (dental sealants). If Substitute Senate Bill No. 6020 is not enacted  
11 by June 30, 2001, the amounts provided in this subsection shall lapse.

12 (11) In accordance with RCW 74.46.625, (~~(\$376,318,000)~~)  
13 \$703,077,000 of the health services account appropriation for fiscal  
14 year 2002, (~~(\$144,896,000)~~) \$228,252,000 of the health services account  
15 appropriation for fiscal year 2003, and (~~(\$542,089,000)~~) \$945,284,000  
16 of the general fund--federal appropriation are provided solely for  
17 supplemental payments to nursing homes operated by rural public  
18 hospital districts, applicable to state fiscal years 2000, 2001, 2002,  
19 and 2003. The payments shall be conditioned upon (a) a contractual  
20 commitment by the association of public hospital districts and  
21 participating rural public hospital districts to make an  
22 intergovernmental transfer to the state treasurer, for deposit into the  
23 health services account, equal to at least 98 percent of the  
24 supplemental payments; and (b) a contractual commitment by the  
25 participating districts to not allow expenditures covered by the  
26 supplemental payments to be used for medicaid nursing home rate-  
27 setting. The participating districts shall retain no more than a total  
28 of \$20,000,000 for the 2001-03 biennium.

29 (12) (~~(\$38,690,000)~~) \$38,766,000 of the health services account  
30 appropriation for fiscal year 2002, (~~(\$40,189,000)~~) \$40,488,000 of the  
31 health services account appropriation for fiscal year 2003, and  
32 (~~(\$80,241,000)~~) \$79,832,000 of the general fund--federal appropriation  
33 are provided solely for additional disproportionate share and medicare  
34 upper payment limit payments to public hospital districts.

35 (a) The payments shall be conditioned upon a contractual commitment  
36 by the participating public hospital districts to make an  
37 intergovernmental transfer to the health services account equal to at  
38 least 91 percent of the additional payments. At least 28 percent of

1 the amounts retained by the participating hospital districts shall be  
2 allocated to the state's teaching hospitals.

3 (b) An additional 4.5 percent of the additional payments may be  
4 retained by the participating public hospital districts contingent upon  
5 the receipt of \$446,500,000 in newly identified proshare reimbursement  
6 from the federal government over the 2001-03 biennium. If the actual  
7 amount received is less than \$446,500,000, the amount retained pursuant  
8 to this subsection (12)(b) shall be prorated accordingly. The state  
9 teaching hospitals shall receive a distribution of the amount retained  
10 by the participating hospital districts in this subsection (12)(b) as  
11 allocated in (a) of this subsection.

12 (13) \$412,000 of the general fund--state appropriation for fiscal  
13 year 2002, \$862,000 of the general fund--state appropriation for fiscal  
14 year 2003, and \$730,000 of the general fund--federal appropriation are  
15 provided solely for implementation of Substitute House Bill No. 1162  
16 (small rural hospitals). If Substitute House Bill No. 1162 is not  
17 enacted by June 30, 2001, the amounts provided in this subsection shall  
18 lapse.

19 (14) The department may continue to use any federal money available  
20 to continue to provide medicaid matching funds for funds contributed by  
21 local governments for purposes of conducting eligibility outreach to  
22 children and underserved groups. The department shall ensure  
23 cooperation with the anticipated audit of the school districts'  
24 matchable expenditures for this program and advise the appropriate  
25 legislative fiscal committees of the findings.

26 (15) The department may transfer up to \$11,000,000 of the general  
27 fund--state appropriation for fiscal year 2003 from the medical  
28 assistance administration to the economic services administration to  
29 implement reductions in the general assistance-unemployable program.

30 (16) The department shall coordinate with the health care authority  
31 and community and migrant health clinics to actively assist children  
32 and immigrant adults not eligible for medicaid to enroll in the basic  
33 health plan.

34 (17) Individuals who transition from receiving family support  
35 payments through the developmental disabilities division to SSI state  
36 supplemental payments shall not become eligible for medical assistance  
37 under RCW 74.09.510 solely because they receive the SSI state  
38 supplemental payment.



1       **Sec. 211.** 2001 2nd sp.s. c 7 s 211 (uncodified) is amended to read  
2 as follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**  
4 **SUPPORTING SERVICES PROGRAM**

5	General Fund--State Appropriation (FY 2002) . . . \$	((30,444,000))
6		<u>30,419,000</u>
7	General Fund--State Appropriation (FY 2003) . . . \$	((29,369,000))
8		<u>22,419,000</u>
9	General Fund--Federal Appropriation . . . . . \$	((50,562,000))
10		<u>47,135,000</u>
11	General Fund--Private/Local Appropriation . . . \$	810,000
12	TOTAL APPROPRIATION . . . . . \$	((111,185,000))
13		<u>100,783,000</u>

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

16       (1) By November 1, 2001, the secretary shall report to the fiscal  
17 committees of the legislature on the actions the secretary has taken,  
18 or proposes to take, within current funding levels to resolve the  
19 organizational problems identified in the department's February 2001  
20 report to the legislature on current systems for billing third-party  
21 payers for services delivered by the state psychiatric hospitals. The  
22 secretary is authorized to transfer funds from this section to the  
23 mental health program to the extent necessary to achieve the  
24 organizational improvements recommended in that report.

25       (2) By November 1, 2001, the department shall report to the fiscal  
26 committees of the legislature with the least costly plan for assuring  
27 that billing and accounting technologies in the state psychiatric  
28 hospitals adequately and efficiently comply with standards set by  
29 third-party payers. The plan shall be developed with participation by  
30 and oversight from the office of financial management, the department's  
31 information systems services division, and the department of  
32 information services.

33       (3) The department shall reconstitute the payment integrity program  
34 to place greater emphasis upon the prevention of future billing errors,  
35 ensure billing and administrative errors are treated in a manner  
36 distinct from allegations of fraud and abuse, and shall rename the  
37 program. In keeping with this revised focus, the department shall also

1 increase to one thousand dollars the cumulative total of apparent  
2 billing errors allowed before a provider is contacted for repayment.

3 (4) By September 1, 2001, the department shall report to the fiscal  
4 committees of the legislature results from the payment review program.  
5 The report shall include actual costs recovered and estimated costs  
6 avoided for fiscal year 2001 and the costs incurred by the department  
7 to administer the program. The report shall document criteria and  
8 methodology used for determining avoided costs. In addition, the  
9 department shall seek input from health care providers and consumer  
10 organizations on modifications to the program. The department shall  
11 provide annual updates to the report to the fiscal committees of the  
12 legislature by September 1st of each year for the preceding fiscal  
13 year.

14 (5) Amounts provided in this section are sufficient to implement  
15 Third Substitute House Bill No. 1517 (state agency quality  
16 improvement).

17 **Sec. 212.** 2001 2nd sp.s. c 7 s 213 (uncodified) is amended to read  
18 as follows:

19 **FOR THE STATE HEALTH CARE AUTHORITY**

20	General Fund--State Appropriation (FY 2002) . . . \$	6,655,000
21	<del>((General Fund--State Appropriation (FY 2003) . . . \$</del>	<del>6,654,000))</del>
22	State Health Care Authority Administrative	
23	Account--State Appropriation . . . . . \$	<del>((20,091,000))</del>
24		<u>20,509,000</u>
25	Health Services Account--State Appropriation . . . \$	<del>((499,148,000))</del>
26		<u>536,041,000</u>
27	General Fund--Federal Appropriation . . . . . \$	<del>((3,611,000))</del>
28		<u>4,240,000</u>
29	<u>Medical Aid Account--State Appropriation . . . . . \$</u>	<u>45,000</u>
30	TOTAL APPROPRIATION . . . . . \$	<del>((536,159,000))</del>
31		<u>567,490,000</u>

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

34 (1) \$6,551,000 of the general fund--state appropriation for fiscal  
35 year 2002 and ~~(( \$6,550,000 ))~~ \$6,654,000 of the ~~((general fund))~~ health  
36 services account--state appropriation ~~((for fiscal year 2003))~~ are

1 provided solely for health care services provided through local  
2 community clinics.

3 (2) Within funds appropriated in this section and sections 205 and  
4 206 of this 2001 act, the health care authority shall continue to  
5 provide an enhanced basic health plan subsidy option for foster parents  
6 licensed under chapter 74.15 RCW and workers in state-funded home care  
7 programs. Under this enhanced subsidy option, foster parents and home  
8 care workers with family incomes below 200 percent of the federal  
9 poverty level shall be allowed to enroll in the basic health plan at a  
10 cost of ten dollars per covered worker per month.

11 (3) The health care authority shall require organizations and  
12 individuals which are paid to deliver basic health plan services and  
13 which choose to sponsor enrollment in the subsidized basic health plan  
14 to pay the following: (i) A minimum of fifteen dollars per enrollee  
15 per month for persons below 100 percent of the federal poverty level;  
16 and (ii) a minimum of twenty dollars per enrollee per month for persons  
17 whose family income is 100 percent to 125 percent of the federal  
18 poverty level.

19 (4) The health care authority shall solicit information from the  
20 United States office of personnel management, health plans, and other  
21 relevant sources, regarding the cost of implementation of mental health  
22 parity by the federal employees health benefits program in 2001. A  
23 progress report shall be provided to the senate and house of  
24 representatives fiscal committees by July 1, 2002, and a final report  
25 shall be provided to the legislature by November 15, 2002, on the study  
26 findings.

27 (5) \$20,000,000 of the health services account appropriation is  
28 provided solely for enrollment in the subsidized basic health plan of  
29 persons who, solely by reason of their immigration status, are not  
30 eligible for medicaid coverage of their nonemergent medical care needs.

31 (6) The health care authority shall report to the fiscal committees  
32 of the legislature on the costs, benefits, and feasibility of  
33 implementing a system no later than January 1, 2004, under which the  
34 state's contribution to the cost of employee medical coverage would be  
35 graduated according to employee salary. Under the graduated system,  
36 employees in higher salary ranges would pay a larger share of the cost  
37 of their medical coverage, while those paid lower salaries would pay a  
38 smaller percentage of their premium. The report shall be prepared in  
39 consultation with the department of personnel and the state-supported

1 colleges and universities, and shall be submitted to the fiscal  
2 committees no later than December 1, 2002.

3 (7) In consultation with the department of personnel and with the  
4 state-supported colleges and universities, the health care authority  
5 shall report to the fiscal committees of the legislature by October 1,  
6 2002, a plan for expanding the availability and use of flexible  
7 spending account plans under which employees may set aside pretax  
8 earnings to cover their out-of-pocket medical costs. The authority is  
9 authorized to proceed with implementation of such a plan to the extent  
10 it can be accomplished within existing state funding levels.

11 (8) \$685,000 of the health services account appropriation, \$629,000  
12 of the general fund--federal appropriation, and the medical aid account  
13 appropriation are provided solely for implementation of Substitute  
14 Senate Bill No. 6368 (prescription drug utilization and education). If  
15 the bill is not enacted by June 30, 2002, these amounts shall lapse.

16 **Sec. 213.** 2001 2nd sp.s. c 7 s 214 (uncodified) is amended to read  
17 as follows:

18 **FOR THE HUMAN RIGHTS COMMISSION**

19	General Fund--State Appropriation (FY 2002) . . . \$	2,688,000
20	General Fund--State Appropriation (FY 2003) . . . \$	<del>((2,700,000))</del>
21		<u>2,619,000</u>
22	General Fund--Federal Appropriation . . . . . \$	1,544,000
23	General Fund--Private/Local Appropriation . . . \$	100,000
24	TOTAL APPROPRIATION . . . . . \$	<del>((7,032,000))</del>
25		<u>6,951,000</u>

26 **Sec. 214.** 2001 2nd sp.s. c 7 s 215 (uncodified) is amended to read  
27 as follows:

28 **FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

29	Worker and Community Right-to-Know Account--State	
30	Appropriation . . . . . \$	20,000
31	Accident Account--State Appropriation . . . . . \$	<del>((14,692,000))</del>
32		<u>14,798,000</u>
33	Medical Aid Account--State Appropriation . . . \$	<del>((14,694,000))</del>
34		<u>14,801,000</u>
35	TOTAL APPROPRIATION . . . . . \$	<del>((29,406,000))</del>
36		<u>29,619,000</u>





1 (6) \$233,000 of the public safety and education account  
2 appropriation is provided solely for training and equipping local law  
3 enforcement officers to respond to methamphetamine crime.

4 (7) (~~(\$374,000 of the public safety and education account~~  
5 ~~appropriation is provided solely for the implementation of House Bill~~  
6 ~~No. 1062 (certification of peace officers). If the bill is not enacted~~  
7 ~~by June 30, 2001, the amounts provided in this subsection shall lapse.~~  
8 ~~—(8))~~) \$450,000 of the public safety and education account  
9 appropriation is provided solely for grants to be distributed by the  
10 Washington association of sheriffs and police chiefs for electronic  
11 mapping of school facilities.

12 **Sec. 216.** 2001 2nd sp.s. c 7 s 217 (uncodified) is amended to read  
13 as follows:

14 **FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

15	General Fund--State Appropriation (FY 2002) . . . . .	\$	(( <del>7,738,000</del> ))
16			<u>5,577,000</u>
17	General Fund--State Appropriation (FY 2003) . . . . .	\$	(( <del>7,682,000</del> ))
18			<u>5,351,000</u>
19	General Fund--Federal Appropriation . . . . .	\$	1,250,000
20	Public Safety and Education Account--State		
21	Appropriation . . . . .	\$	(( <del>19,862,000</del> ))
22			<u>19,492,000</u>
23	Public Safety and Education Account--Federal		
24	Appropriation . . . . .	\$	6,950,000
25	Public Safety and Education Account--Private/Local		
26	Appropriation . . . . .	\$	4,200,000
27	Asbestos Account--State Appropriation . . . . .	\$	688,000
28	Electrical License Account--State		
29	Appropriation . . . . .	\$	28,412,000
30	Farm Labor Revolving Account--Private/Local		
31	Appropriation . . . . .	\$	28,000
32	Worker and Community Right-to-Know Account--State		
33	Appropriation . . . . .	\$	2,281,000
34	Public Works Administration Account--State		
35	Appropriation . . . . .	\$	2,856,000
36	Accident Account--State Appropriation . . . . .	\$	(( <del>179,186,000</del> ))
37			<u>184,219,000</u>
38	Accident Account--Federal Appropriation . . . . .	\$	11,568,000

1	Medical Aid Account--State Appropriation . . .	\$	((176,715,000))
2			<u>178,366,000</u>
3	Medical Aid Account--Federal Appropriation . .	\$	2,438,000
4	Plumbing Certificate Account--State		
5	Appropriation . . . . .	\$	((1,015,000))
6			<u>1,111,000</u>
7	Pressure Systems Safety Account--State		
8	Appropriation . . . . .	\$	((2,274,000))
9			<u>2,525,000</u>
10	TOTAL APPROPRIATION . . . . .	\$	((455,143,000))
11			<u>457,312,000</u>

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

14       (1) Pursuant to RCW 7.68.015, the department shall operate the  
15 crime victims compensation program within the public safety and  
16 education account funds appropriated in this section. ~~((In the event  
17 that cost containment measures are necessary, the department may (a)  
18 institute copayments for services; (b) develop preferred provider  
19 contracts; or (c) other cost containment measures.))~~ Pursuant to RCW  
20 7.68.030, the department shall adopt rules as necessary to ensure  
21 effective cost containment measures. These measures may include  
22 implementing ratable reductions and establishing a priority order for  
23 implementing the ratable reductions. Cost containment measures shall  
24 not include holding invoices received in one fiscal period for payment  
25 from appropriations in subsequent fiscal periods. No more than  
26 ~~(((\$5,248,000))~~ \$5,150,000 of the public safety and education account  
27 appropriation shall be expended for department administration of the  
28 crime victims compensation program.

29       (2) ~~(((\$1,438,000 of the accident account--state appropriation and  
30 \$1,438,000 of the medical aid account--state appropriation are provided  
31 for the one-time cost of implementing a recent state supreme court  
32 ruling regarding the calculation of workers' compensation benefits.  
33 This decision significantly increases the complexity of calculating  
34 benefits and therefore increases the administrative and legal costs of  
35 the workers' compensation program. The department shall develop and  
36 report to appropriate committees of the legislature proposed statutory  
37 language that provides greater certainty and simplicity in the~~

1 calculation of benefits. The report shall be submitted by October 1,  
2 2001.

3 ~~---(3)~~) It is the intent of the legislature that elevator inspection  
4 fees shall fully cover the cost of the elevator inspection program.  
5 Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium the  
6 department may increase fees in excess of the fiscal growth factor, if  
7 the increases are necessary to fully fund the cost of the elevator  
8 inspection program.

9 **Sec. 217.** 2001 2nd sp.s. c 7 s 218 (uncodified) is amended to read  
10 as follows:

11 <b>FOR THE INDETERMINATE SENTENCE REVIEW BOARD</b>		
12	General Fund--State Appropriation (FY 2002) . . . \$	999,000
13	General Fund--State Appropriation (FY 2003) . . . \$	<del>((999,000))</del>
14		<u>969,000</u>
15	TOTAL APPROPRIATION . . . . . \$	<del>((1,998,000))</del>
16		<u>1,968,000</u>

17 **Sec. 218.** 2001 2nd sp.s. c 7 s 219 (uncodified) is amended to read  
18 as follows:

19 <b>FOR THE DEPARTMENT OF VETERANS AFFAIRS</b>		
20 (1) HEADQUARTERS		
21	General Fund--State Appropriation (FY 2002) . . . \$	<del>((1,529,000))</del>
22		<u>1,577,000</u>
23	General Fund--State Appropriation (FY 2003) . . . \$	<del>((1,533,000))</del>
24		<u>1,536,000</u>
25 Charitable, Educational, Penal, and Reformatory		
26 Institutions Account--State		
27	Appropriation . . . . . \$	7,000
28	TOTAL APPROPRIATION . . . . . \$	<del>((3,069,000))</del>
29		<u>3,120,000</u>

30 (2) FIELD SERVICES		
31	General Fund--State Appropriation (FY 2002) . . . \$	2,619,000
32	General Fund--State Appropriation (FY 2003) . . . \$	<del>((2,643,000))</del>
33		<u>2,583,000</u>
34	General Fund--Federal Appropriation . . . . . \$	<del>((155,000))</del>
35		<u>310,000</u>
36	General Fund--Private/Local Appropriation . . . \$	1,663,000

1	TOTAL APPROPRIATION . . . . .	\$	((7,080,000))
2			<u>7,175,000</u>
3	(3) INSTITUTIONAL SERVICES		
4	General Fund--State Appropriation (FY 2002) . .	\$	((6,832,000))
5			<u>5,765,000</u>
6	General Fund--State Appropriation (FY 2003) . .	\$	((4,600,000))
7			<u>5,537,000</u>
8	General Fund--Federal Appropriation . . . . .	\$	((28,699,000))
9			<u>26,477,000</u>
10	General Fund--Private/Local Appropriation . . .	\$	((25,614,000))
11			<u>23,788,000</u>
12	TOTAL APPROPRIATION . . . . .	\$	((65,745,000))
13			<u>61,567,000</u>

14 The appropriations in this subsection are subject to the following  
15 terms and conditions: ((~~\$3,664,000~~)) \$2,886,000 of the general fund--  
16 federal appropriation and ((~~\$7,377,000~~)) \$5,639,000 of the general  
17 fund--local appropriation are provided solely for the department to  
18 acquire, establish, and operate a nursing facility dedicated to serving  
19 men and women from Washington who have served in the nation's armed  
20 forces.

21 **Sec. 219.** 2001 2nd sp.s. c 7 s 220 (uncodified) is amended to read  
22 as follows:

23 **FOR THE DEPARTMENT OF HEALTH**

24	General Fund--State Appropriation (FY 2002) . .	\$	((65,308,000))
25			<u>55,486,000</u>
26	General Fund--State Appropriation (FY 2003) . .	\$	((66,941,000))
27			<u>54,760,000</u>
28	Health Services Account--State Appropriation .	\$	((24,186,000))
29			<u>37,859,000</u>
30	General Fund--Federal Appropriation . . . . .	\$	((276,840,000))
31			<u>296,992,000</u>
32	General Fund--Private/Local Appropriation . . .	\$	((81,526,000))
33			<u>83,017,000</u>
34	Hospital Commission Account--State		
35	Appropriation . . . . .	\$	((1,718,000))
36			<u>2,305,000</u>
37	Health Professions Account--State		

1	Appropriation . . . . .	\$	((38,456,000))
2			<u>39,337,000</u>
3	Emergency Medical Services and Trauma Care Systems		
4	Trust Account--State Appropriation . . . . .	\$	14,858,000
5	Safe Drinking Water Account--State		
6	Appropriation . . . . .	\$	((2,701,000))
7			<u>2,689,000</u>
8	Drinking Water Assistance Account--Federal		
9	Appropriation . . . . .	\$	((13,400,000))
10			<u>13,376,000</u>
11	<u>Salmon Recovery Account--State</u>		
12	<u>Appropriation . . . . .</u>	<u>\$</u>	<u>182,000</u>
13	Waterworks Operator Certification--State		
14	Appropriation . . . . .	\$	622,000
15	Water Quality Account--State Appropriation . . . . .	\$	((3,328,000))
16			<u>3,304,000</u>
17	Accident Account--State Appropriation . . . . .	\$	257,000
18	Medical Aid Account--State Appropriation . . . . .	\$	45,000
19	State Toxics Control Account--State		
20	Appropriation . . . . .	\$	((2,817,000))
21			<u>2,809,000</u>
22	Medical Test Site Licensure Account--State		
23	Appropriation . . . . .	\$	((1,369,000))
24			<u>1,801,000</u>
25	Youth Tobacco Prevention Account--State		
26	Appropriation . . . . .	\$	1,797,000
27	Tobacco Prevention and Control Account--State		
28	Appropriation . . . . .	\$	((34,992,000))
29			<u>43,737,000</u>
30	TOTAL APPROPRIATION . . . . .	\$	((631,161,000))
31			<u>655,233,000</u>

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

- 34 (1) The department or any successor agency is authorized to raise  
35 existing fees charged to the drinking water operator certification,  
36 newborn screening, radioactive materials, x-ray compliance, drinking  
37 water plan review, midwifery, hearing and speech, veterinarians,  
38 psychologists, pharmacists, hospitals, podiatrists, ((and)) home health

1 and home care, transient accommodations licensing, adult residential  
2 rehabilitation facilities licensing, state institution licensing,  
3 medical test site licensing, alcoholism treatment facilities licensing,  
4 certificate of need, and food handlers programs, in excess of the  
5 fiscal growth factor established by Initiative Measure No. 601, if  
6 necessary, to meet the actual costs of conducting business and the  
7 appropriation levels in this section.

8 (2) \$339,000 of the general fund--state appropriation for fiscal  
9 year 2002 (~~and \$339,000~~), \$157,000 of the general fund--state  
10 appropriation for fiscal year 2003, and the salmon recovery account  
11 appropriation are provided solely for technical assistance to local  
12 governments and special districts on water conservation and reuse.

13 (3) \$1,675,000 of the general fund--state fiscal year 2002  
14 appropriation and \$1,676,000 of the general fund--state fiscal year  
15 2003 appropriation are provided solely for the implementation of the  
16 Puget Sound water work plan and agency action items, DOH-01, DOH-02,  
17 DOH-03, and DOH-04.

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

34 (5) (~~(\$5,779,000)~~) \$19,778,000 of the health services account--  
35 state appropriation (~~for fiscal year 2002 and \$4,665,000 of the health~~  
36 ~~services account--state appropriation for fiscal year 2003 are~~) is  
37 provided solely for (~~purchase and distribution of the pneumococcal~~  
38 ~~conjugate vaccine as part of~~) the state's program of universal access  
39 to essential childhood vaccines.

1 (6) \$85,000 of the general fund--state appropriation for fiscal  
2 year 2002 and \$65,000 of the general fund--state appropriation for  
3 fiscal year 2003 are provided solely for the implementation of  
4 Substitute House Bill No. 1365 (infant and child products). If the  
5 bill is not enacted by June 30, 2001, the amounts provided in this  
6 subsection shall lapse.

7 (7) \$58,000 of the general fund--state appropriation for fiscal  
8 year 2002 and \$25,000 of the general fund--state appropriation for  
9 fiscal year 2003 are provided solely for the implementation of Second  
10 Substitute House Bill No. 1590 (breastfeeding). If the bill is not  
11 enacted by June 30, 2001, the amounts provided in this subsection shall  
12 lapse.

13 (8) From funds appropriated in this section, the state board of  
14 health shall convene a broadly-based task force to review the available  
15 information on the potential risks and benefits to public and personal  
16 health and safety, and to individual privacy, of emerging technologies  
17 involving human deoxyribonucleic acid (DNA). The board may reimburse  
18 task force members for travel expenses according to RCW 43.03.220. The  
19 task force shall consider information provided to it by interested  
20 persons on: (a) The incidence of discriminatory actions based upon  
21 genetic information; (b) strategies to safeguard civil rights and  
22 privacy related to genetic information; (c) remedies to compensate  
23 individuals for inappropriate use of their genetic information; and (d)  
24 incentives for further research and development on the use of DNA to  
25 promote public health, safety, and welfare. The task force shall  
26 report on its findings and any recommendations to appropriate  
27 committees of the legislature by October 1, 2002.

28 (9) \$533,000 of the general fund--state appropriation for fiscal  
29 year 2002 and (~~(\$1,067,000)~~) \$847,000 of the general fund--state  
30 appropriation for fiscal year 2003 are provided solely for performance-  
31 based contracts with local jurisdictions to assure the safety of  
32 drinking water provided by small "group B" water systems.

33 (10) By October 1, 2002, the department shall adopt rules and  
34 establish mechanisms under which the state's contribution to the cost  
35 of care for recipients of HIV early intervention services whose incomes  
36 are above 125 percent of the federal poverty level shall be adjusted on  
37 a sliding scale basis. The rules shall provide for the percentage of  
38 costs for which the state is responsible to decrease according to the

1 recipient's income, and shall further provide for an annual limit on  
2 out-of-pocket expenditures for recipients at each income range.

3 **Sec. 220.** 2001 2nd sp.s. c 7 s 221 (uncodified) is amended to read  
4 as follows:

5 **FOR THE DEPARTMENT OF CORRECTIONS**

6 The appropriations to the department of corrections in chapter 7,  
7 Laws of 2001 2nd sp. sess., as amended, shall be expended for the  
8 programs and in the amounts specified therein. However, after April 1,  
9 2002, unless specifically prohibited by this act, the department may  
10 transfer general fund--state appropriations for fiscal year 2002 that  
11 are not provided solely for a specified purpose, between programs after  
12 approval by the director of financial management. The director of the  
13 office of financial management shall notify the appropriate fiscal  
14 committees of the senate and house of representatives in writing prior  
15 to approving any deviations from appropriation levels.

16	(1) ADMINISTRATION AND SUPPORT SERVICES	
17	General Fund--State Appropriation (FY 2002) . . . \$	((36,156,000))
18		<u>36,786,000</u>
19	General Fund--State Appropriation (FY 2003) . . . \$	((36,365,000))
20		<u>36,212,000</u>
21	Public Safety and Education Account--State	
22	Appropriation . . . . . \$	((1,576,000))
23		<u>1,547,000</u>
24	Violence Reduction and Drug Enforcement	
25	Account Appropriation . . . . . \$	3,254,000
26	TOTAL APPROPRIATION . . . . . \$	((77,351,000))
27		<u>77,799,000</u>

28 The appropriations in this subsection are subject to the following  
29 conditions and limitations: \$4,623,000 of the general fund--state  
30 appropriation for fiscal year 2002, \$4,623,000 of the general fund--  
31 state appropriation for fiscal year 2003, and \$3,254,000 of the  
32 violence reduction and drug enforcement account appropriation are  
33 provided solely for the replacement of the department's offender-based  
34 tracking system. This amount is conditioned on the department  
35 satisfying the requirements of section 902 of this act. The department  
36 shall prepare an assessment of the fiscal impact of any changes to the  
37 replacement project. The assessment shall:



- 1 (a) Include a description of any changes to the replacement
- 2 project;
- 3 (b) Provide the estimated costs for each component in the 2001-03
- 4 and subsequent biennia;
- 5 (c) Include a schedule that provides the time estimated to complete
- 6 changes to each component of the replacement project; and
- 7 (d) Be provided to the office of financial management, the
- 8 department of information services, the information services board, and
- 9 the staff of the fiscal committees of the senate and the house of
- 10 representatives no later than November 1, 2002.

11 (2) CORRECTIONAL OPERATIONS

12	General Fund--State Appropriation (FY 2002) . . . \$	<del>((397,231,000))</del>
13		<u>404,390,000</u>
14	General Fund--State Appropriation (FY 2003) . . . \$	<del>((407,078,000))</del>
15		<u>412,556,000</u>
16	General Fund--Federal Appropriation . . . . . \$	<del>((12,096,000))</del>
17		<u>9,142,000</u>
18	Violence Reduction and Drug Enforcement Account--	
19	State Appropriation . . . . . \$	1,614,000
20	Public Health Services Account Appropriation . . . \$	1,453,000
21	TOTAL APPROPRIATION . . . . . \$	<del>((819,472,000))</del>
22		<u>829,155,000</u>

23 The appropriations in this subsection are subject to the following

24 conditions and limitations:

- 25 (a) The department may expend funds generated by contractual
- 26 agreements entered into for mitigation of severe overcrowding in local
- 27 jails. Any funds generated in excess of actual costs shall be
- 28 deposited in the state general fund. Expenditures shall not exceed
- 29 revenue generated by such agreements and shall be treated as recovery
- 30 of costs.
- 31 (b) The department shall provide funding for the pet partnership
- 32 program at the Washington corrections center for women at a level at
- 33 least equal to that provided in the 1995-97 biennium.
- 34 (c) The department of corrections shall accomplish personnel
- 35 reductions with the least possible impact on correctional custody
- 36 staff, community custody staff, and correctional industries. For the
- 37 purposes of this subsection, correctional custody staff means employees
- 38 responsible for the direct supervision of offenders.

1 (d) \$553,000 of the general fund--state appropriation for fiscal  
2 year 2002 and (~~(\$1,171,000)~~) \$976,000 of the general fund--state  
3 appropriation for fiscal year 2003 are provided solely to increase  
4 payment rates for contracted education providers, contracted chemical  
5 dependency providers, and contracted work release facilities.

6 (e) During the 2001-03 biennium, when contracts are established or  
7 renewed for offender pay phone and other telephone services provided to  
8 inmates, the department shall select the contractor or contractors  
9 primarily based on the following factors: (i) The lowest rate charged  
10 to both the inmate and the person paying for the telephone call; and  
11 (ii) the lowest commission rates paid to the department, while  
12 providing reasonable compensation to cover the costs of the department  
13 to provide the telephone services to inmates and provide sufficient  
14 revenues for the activities funded from the institutional welfare  
15 betterment account as of January 1, 2000.

16 (f) For the acquisition of properties and facilities, the  
17 department of corrections is authorized to enter into financial  
18 contracts, paid for from operating resources, for the purposes  
19 indicated and in not more than the principal amounts indicated, plus  
20 financing expenses and required reserves pursuant to chapter 39.94 RCW.  
21 This authority applies to the following: Lease-develop with the option  
22 to purchase or lease-purchase approximately 50 work release beds in  
23 facilities throughout the state for \$3,500,000.

24 (g) \$22,000 of the general fund--state appropriation for fiscal  
25 year 2002 and \$76,000 of the general fund--state appropriation for  
26 fiscal year 2003 are provided solely for the implementation of Second  
27 Substitute Senate Bill No. 6151 (high risk sex offenders in the civil  
28 commitment and criminal justice systems). If the bill is not enacted  
29 by June 30, 2001, the amounts provided in this subsection shall lapse.

30 (h) (~~(The department may acquire a ferry for no more than~~  
31 ~~\$1,000,000 from Washington state ferries. Funds expended for this~~  
32 ~~purpose will be recovered from the sale of marine assets.)~~) \$53,000 of  
33 the general fund--state appropriation for fiscal year 2003 is provided  
34 solely for the implementation of either Second Substitute House Bill  
35 No. 2507 or Engrossed Second Substitute Senate Bill No. 6490 (motor  
36 vehicle theft). If neither bill is enacted by June 30, 2002, the  
37 amount provided in this subsection shall lapse.

38 (3) COMMUNITY SUPERVISION

1	General Fund--State Appropriation (FY 2002) . . . . .	\$	(( <del>61,427,000</del> ))
2			<u>68,097,000</u>
3	General Fund--State Appropriation (FY 2003) . . . . .	\$	(( <del>62,934,000</del> ))
4			<u>70,545,000</u>
5	General Fund--Federal Appropriation . . . . .	\$	(( <del>1,125,000</del> ))
6			<u>870,000</u>
7	Public Safety and Education		
8	Account--State Appropriation . . . . .	\$	(( <del>15,841,000</del> ))
9			<u>15,546,000</u>
10	TOTAL APPROPRIATION . . . . .	\$	(( <del>141,327,000</del> ))
11			<u>155,058,000</u>

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

14       (a) The department of corrections shall accomplish personnel  
15 reductions with the least possible impact on correctional custody  
16 staff, community custody staff, and correctional industries. For the  
17 purposes of this subsection, correctional custody staff means employees  
18 responsible for the direct supervision of offenders.

19       (b) \$75,000 of the general fund--state appropriation for fiscal  
20 year 2002 and \$75,000 of the general fund--state appropriation for  
21 fiscal year 2003 are provided solely for the department of corrections  
22 to contract with the institute for public policy for responsibilities  
23 assigned in chapter 196, Laws of 1999 (offender accountability act) and  
24 sections 7 through 12 of chapter 197, Laws of 1999 (drug offender  
25 sentencing).

26       (c) \$16,000 of the general fund--state appropriation for fiscal  
27 year 2002 and ((~~\$34,000~~)) \$29,000 of the general fund--state  
28 appropriation for fiscal year 2003 are provided solely to increase  
29 payment rates for contracted chemical dependency providers.

30       (d) \$30,000 of the general fund--state appropriation for fiscal  
31 year 2002 and \$30,000 of the general fund--state appropriation for  
32 fiscal year 2003 are provided solely for the implementation of  
33 Substitute Senate Bill No. 5118 (interstate compact for adult offender  
34 supervision). If the bill is not enacted by June 30, 2001, the amounts  
35 provided in this subsection shall lapse.

36       (4) CORRECTIONAL INDUSTRIES

37	General Fund--State Appropriation (FY 2002) . . . . .	\$	631,000
38	General Fund--State Appropriation (FY 2003) . . . . .	\$	629,000

1 TOTAL APPROPRIATION . . . . . \$ 1,260,000

2 The appropriations in this subsection are subject to the following  
3 conditions and limitations: \$110,000 of the general fund--state  
4 appropriation for fiscal year 2002 and \$110,000 of the general fund--  
5 state appropriation for fiscal year 2003 are provided solely for  
6 transfer to the jail industries board. The board shall use the amounts  
7 provided only for administrative expenses, equipment purchases, and  
8 technical assistance associated with advising cities and counties in  
9 developing, promoting, and implementing consistent, safe, and efficient  
10 offender work programs.

11 (5) INTERAGENCY PAYMENTS

12 General Fund--State Appropriation (FY 2002) . . \$ 18,568,000  
13 General Fund--State Appropriation (FY 2003) . . \$ 18,569,000  
14 TOTAL APPROPRIATION . . . . . \$ 37,137,000

15 **Sec. 221.** 2001 2nd sp.s. c 7 s 222 (uncodified) is amended to read  
16 as follows:

17 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

18 General Fund--State Appropriation (FY 2002) . . \$ 1,693,000  
19 General Fund--State Appropriation (FY 2003) . . \$ ((1,628,000))  
20 1,579,000  
21 General Fund--Federal Appropriation . . . . . \$ ((11,140,000))  
22 12,643,000  
23 General Fund--Private/Local Appropriation . . . \$ 80,000  
24 TOTAL APPROPRIATION . . . . . \$ ((14,541,000))  
25 15,995,000

26 The appropriations in this section are subject to the following  
27 conditions and limitations: \$50,000 of the general fund--state  
28 appropriation for fiscal year 2002 and \$50,000 of the general fund--  
29 state appropriation for fiscal year 2003 are provided solely to  
30 increase state assistance for a comprehensive program of training and  
31 support services for persons who are both deaf and blind.

32 **Sec. 222.** 2001 2nd sp.s. c 7 s 223 (uncodified) is amended to read  
33 as follows:

34 **FOR THE SENTENCING GUIDELINES COMMISSION**

35 General Fund--State Appropriation (FY 2002) . . \$ 936,000

1	General Fund--State Appropriation (FY 2003) . . . \$	((857,000))
2		<u>831,000</u>
3	TOTAL APPROPRIATION . . . . . \$	((1,793,000))
4		<u>1,767,000</u>

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

7 \$78,000 of the general fund--state appropriation for fiscal year  
8 2002 is provided solely for the sentencing guidelines commission to  
9 conduct a comprehensive review and evaluation of state sentencing  
10 policy. The review and evaluation shall include an analysis of whether  
11 current sentencing ranges and standards, as well as existing mandatory  
12 minimum sentences, existing sentence enhancements, and special  
13 sentencing alternatives, are consistent with the purposes of the  
14 sentencing reform act as set out in RCW 9.94A.010, including the intent  
15 of the legislature to emphasize confinement for the violent offender  
16 and alternatives to confinement for the nonviolent offender. The  
17 review and evaluation shall also examine whether current sentencing  
18 ranges and standards are consistent with existing corrections capacity.

19 The review and evaluation shall consider studies on the cost-  
20 effectiveness of sentencing alternatives, as well as the fiscal impact  
21 of sentencing policies on state and local government. In conducting  
22 the review and evaluation, the commission shall consult with the  
23 superior court judges' association, the Washington association of  
24 prosecuting attorneys, the Washington defenders' association, the  
25 Washington association of criminal defense lawyers, the Washington  
26 association of sheriffs and police chiefs, organizations representing  
27 crime victims, and other organizations and individuals with expertise  
28 and interest in sentencing policy.

29 Not later than December 1, 2001, the commission shall present to  
30 the appropriate standing committees of the legislature the report of  
31 its comprehensive review and evaluation, together with any  
32 recommendations for revisions and modifications to state sentencing  
33 policy, including sentencing ranges and standards, mandatory minimum  
34 sentences, and sentence enhancements. If implementation of the  
35 recommendations of the commission would result in exceeding the  
36 capacity of correctional facilities, the commission shall at the same  
37 time present to the legislature a list of revised standard sentence  
38 ranges which are consistent with currently authorized rated and

1 operational corrections capacity, and consistent with the purposes of  
2 the sentencing reform act.

3 **Sec. 223.** 2001 2nd sp.s. c 7 s 224 (uncodified) is amended to read  
4 as follows:

5 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

6	General Fund--Federal Appropriation . . . . .	\$	180,628,000
7	General Fund--Private/Local Appropriation . . . . .	\$	30,119,000
8	Unemployment Compensation Administration Account--		
9	Federal Appropriation . . . . .	\$	<del>((181,677,000))</del>
10			<u>194,167,000</u>
11	Administrative Contingency Account--State		
12	Appropriation . . . . .	\$	<del>((13,914,000))</del>
13			<u>16,534,000</u>
14	Employment Service Administrative Account--State		
15	Appropriation . . . . .	\$	20,001,000
16	TOTAL APPROPRIATION . . . . .	\$	<del>((426,339,000))</del>
17			<u>441,449,000</u>

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

20 (1) \$133,000 of the unemployment compensation administration  
21 account is provided solely for the implementation of Substitute House  
22 Bill No. 2604 (unemployment compensation). If the bill is not enacted  
23 by June 30, 2002, the amount provided in this subsection shall lapse.

24 (2) \$156,000 of the unemployment compensation administration  
25 account is provided solely for the implementation of Substitute House  
26 Bill No. 2355 (unemployment insurance). If the bill is not enacted by  
27 June 30, 2002, the amount provided in this subsection shall lapse.

28 NEW SECTION. **Sec. 224.** A new section is added to 2001 2nd sp.s.  
29 c 7 (uncodified) to read as follows:

30 **FOR THE HOME CARE QUALITY AUTHORITY**

31	General Fund--State Appropriation (FY 2003) . . . . .	\$	152,000
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32 (End of part)



1	State Toxics Control Account--State		
2	Appropriation . . . . .	\$	(( <del>68,931,000</del> ))
3			<u>70,763,000</u>
4	State Toxics Control Account--Private/Local		
5	Appropriation . . . . .	\$	350,000
6	Local Toxics Control Account--State		
7	Appropriation . . . . .	\$	4,751,000
8	Water Quality Permit Account--State		
9	Appropriation . . . . .	\$	(( <del>23,827,000</del> ))
10			<u>24,210,000</u>
11	Underground Storage Tank Account--State		
12	Appropriation . . . . .	\$	2,682,000
13	Environmental Excellence Account--State		
14	Appropriation . . . . .	\$	504,000
15	Biosolids Permit Account--State Appropriation .	\$	(( <del>589,000</del> ))
16			<u>764,000</u>
17	Hazardous Waste Assistance Account--State		
18	Appropriation . . . . .	\$	4,308,000
19	Air Pollution Control Account--State		
20	Appropriation . . . . .	\$	(( <del>1,066,000</del> ))
21			<u>1,366,000</u>
22	Oil Spill Prevention Account--State		
23	Appropriation . . . . .	\$	(( <del>7,921,000</del> ))
24			<u>8,621,000</u>
25	Air Operating Permit Account--State		
26	Appropriation . . . . .	\$	3,608,000
27	Freshwater Aquatic Weeds Account--State		
28	Appropriation . . . . .	\$	1,898,000
29	Oil Spill Response Account--State		
30	Appropriation . . . . .	\$	7,078,000
31	Metals Mining Account--State Appropriation . .	\$	5,000
32	Water Pollution Control Revolving Account--		
33	State Appropriation . . . . .	\$	(( <del>467,000</del> ))
34			<u>638,000</u>
35	Water Pollution Control Revolving Account--		
36	Federal Appropriation . . . . .	\$	(( <del>2,316,000</del> ))
37			<u>2,728,000</u>
38	TOTAL APPROPRIATION . . . . .	\$	(( <del>324,942,000</del> ))
39			<u>319,293,000</u>



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

3 (1) \$3,874,000 of the general fund--state appropriation for fiscal  
4 year 2002, \$3,874,000 of the general fund--state appropriation for  
5 fiscal year 2003, \$394,000 of the general fund--federal appropriation,  
6 \$2,070,000 of the oil spill prevention account--state appropriation,  
7 and \$3,686,000 of the water quality permit account--state appropriation  
8 are provided solely for the implementation of the Puget Sound work plan  
9 and agency action items DOE-01, DOE-02, DOE-03, DOE-05, DOE-06, DOE-07,  
10 DOE-08, and DOE-09.

11 (2) \$500,000 of the state toxics control account appropriation is  
12 provided for an assessment of the financial assurance requirements of  
13 hazardous waste management facilities. By September 30, 2002, the  
14 department shall provide to the governor and appropriate committees of  
15 the legislature a report that: (a) Evaluates current statutes and  
16 regulations governing hazardous waste management facilities; (b)  
17 analyzes and makes recommendations for improving financial assurance  
18 regulatory control; and (c) makes recommendations for funding financial  
19 assurance regulatory control of hazardous waste management facilities.

20 (3) (~~(\$250,000 of the general fund--state appropriation for fiscal~~  
21 ~~year 2002, \$250,000 of the general fund--state appropriation for fiscal~~  
22 ~~year 2003, \$564,000)) \$814,000 of the state drought preparedness  
23 account--state appropriation, ((and)) \$549,000 of the water quality  
24 account--state appropriation, and \$250,000 of the salmon recovery  
25 account--state appropriation are provided solely for enhanced  
26 streamflow monitoring in critical salmon recovery basins. \$640,000 of  
27 this amount is provided solely to implement the Puget Sound work plan  
28 and agency action item DOE-01.~~

29 (4) \$1,000,000 of the state toxics control account appropriation in  
30 this section is provided solely for the department to work in  
31 cooperation with local jurisdictions to address emerging storm water  
32 management requirements. This work shall include developing a storm  
33 water manual for eastern Washington, technical assistance to local  
34 jurisdictions, and increased implementation of the department's  
35 existing storm water program. \$200,000 of this amount is provided  
36 solely for implementation of the Puget Sound work plan and agency  
37 action item DOE-06.

1 (5) \$383,000 of the general fund--state appropriation for fiscal  
2 year 2002 and \$383,000 of the general fund--state appropriation for  
3 fiscal year 2003 are provided solely for water conservation plan  
4 review, technical assistance, and project review for water conservation  
5 and reuse projects. By December 1, 2003, the department in cooperation  
6 with the department of health shall report to the governor and  
7 appropriate committees of the legislature on the activities and  
8 achievements related to water conservation and reuse during the past  
9 two biennia. The report shall include an overview of technical  
10 assistance provided, reuse project development activities, and water  
11 conservation achievements.

12 (6) \$3,424,000 of the state toxics control account appropriation is  
13 provided solely for methamphetamine lab clean up activities.

14 (7)(a) \$800,000 of the state toxics control account appropriation  
15 is provided solely to implement the department's persistent,  
16 bioaccumulative toxic chemical strategy. (~~(\$54,000 of this amount  
17 shall be allocated to the department of health to assist with this  
18 effort.)~~)

19 (b) The department shall develop a pilot chemical action plan. The  
20 development of the chemical action plan will be a model for developing  
21 all future chemical action plans. The first persistent bioaccumulative  
22 toxic chemical to be addressed by the plan shall be mercury.

23 (i) The pilot chemical action plan must include, but is not limited  
24 to: (A) Identifying current mercury uses in Washington; (B) analyzing  
25 current state and federal laws, regulations, rules, and voluntary  
26 measures that can be used to reduce or eliminate mercury; (C)  
27 identifying mercury reduction and elimination options; and (D)  
28 implementing actions to reduce or eliminate mercury uses and releases.

29 (ii) In developing the pilot chemical action plan, the department  
30 must involve an advisory committee not to exceed twelve members  
31 composed of adequate and balanced representation of local government,  
32 business, agriculture, and environmental, public health, and community  
33 groups. In addition, the department must invite and strongly encourage  
34 any interested tribes or federal agencies to participate in the  
35 advisory committee process. The advisory committee must be involved in  
36 the development of the pilot chemical action plan. All information  
37 that will serve as the basis for any decisions in the pilot chemical  
38 action plan's development must be available to the advisory committee  
39 members. The advisory committee has sixty days to provide input to the

1 department on the elements of the pilot chemical action plan. The  
2 comments and suggestions made by the advisory committee must be  
3 considered by the department; however, consensus of the advisory  
4 committee is not necessary for the department to move forward in the  
5 development of the pilot chemical action plan. All meetings of the  
6 advisory committee are subject to the provisions of chapter 42.30 RCW.  
7 The advisory committee for the pilot chemical action plan must be  
8 established by July 1, 2002.

9 (iii) By October 1, 2002, the department must develop and issue a  
10 draft pilot chemical action plan in consultation with the advisory  
11 committee. Following the release of the draft plan, the department  
12 must allow for a sixty-day public comment period. The department must  
13 reconvene the advisory committee following the comment period to  
14 consider the public comments received.

15 (iv) The final chemical action plan, developed after considering  
16 the public comments and the input of the advisory committee, must  
17 outline actions for the department to take, including, but not limited  
18 to the development of any rules that are within the department's  
19 authority and recommending any legislation.

20 (v) The chemical action plan must be finalized by December 15,  
21 2002, and implementation must begin no later than January 1, 2003.

22 (8) Up to \$11,365,000 of the state toxics control account  
23 appropriation is provided for the remediation of contaminated sites.  
24 Of this amount, up to \$2,000,000 may be used to pay existing site  
25 remediation liabilities owed to the federal environmental protection  
26 agency for clean-up work that has been completed. The department shall  
27 carefully monitor actual revenue collections into the state toxics  
28 control account, and is authorized to limit actual expenditures of the  
29 appropriation provided in this section consistent with available  
30 revenue.

31 (9) \$200,000 of the state toxics control account appropriation is  
32 provided to assess the effectiveness of the state's current toxic  
33 pollution prevention and dangerous waste programs and policies. The  
34 department shall work with affected stakeholder groups and the public  
35 to evaluate the performance of existing programs, and identify feasible  
36 methods of reducing the generation of these wastes. The department  
37 shall report its findings to the governor and the appropriate  
38 committees of the legislature by September 30, 2002.

1 (10) \$1,200,000 of the state toxics control account appropriation  
2 is provided solely for the department, in conjunction with affected  
3 local governments, to address emergent areawide soil contamination  
4 problems. The department's efforts will include public involvement  
5 processes and completing assessments of the geographical extent of  
6 toxic contamination including highly contaminated areas.

7 (11) \$170,000 of the oil spill prevention account appropriation is  
8 provided solely for implementation of the Puget Sound work plan action  
9 item UW-02 through a contract with the University of Washington's sea  
10 grant program to develop an educational program targeted to small  
11 spills from commercial fishing vessels, ferries, cruise ships, ports,  
12 and marinas.

13 (12) \$1,500,000 of the general fund--state appropriation for fiscal  
14 year 2002, \$1,500,000 of the general fund--state appropriation for  
15 fiscal year 2003, and \$3,000,000 of the water quality account  
16 appropriation are provided solely to implement chapter 237, Laws of  
17 2001 (Engrossed Substitute House Bill No. 1832, water resources  
18 management) and to support the processing of applications for changes  
19 and transfers of existing water rights.

20 (13) (~~(\$4,500,000 of the general fund--state appropriation for~~  
21 ~~fiscal year 2002 and \$4,500,000 of the general fund--state~~  
22 ~~appropriation for fiscal year 2003 are)~~) \$9,000,000 of the water  
23 quality account--state appropriation is provided solely for grants to  
24 local governments and for technical assistance to conduct watershed  
25 planning. Of the total amount, at least \$7,000,000 must be provided  
26 solely for grants to local governments.

27 (14) \$3,114,000 of the water quality account appropriation is  
28 provided solely to implement Engrossed Substitute House Bill No. 1832  
29 (water resources management). Of this amount: (a) \$2,100,000 is  
30 provided for grants to local governments for targeted watershed  
31 assessments consistent with Engrossed Substitute House Bill No. 1832;  
32 and (b) the remainder of the funding is provided solely for development  
33 of a state environmental policy act template to streamline  
34 environmental review, creation of a blue ribbon panel to develop long-  
35 term watershed planning implementation funding options, and technical  
36 assistance.

37 (~~(+18)~~) (15) \$200,000 of the water quality account appropriation  
38 is provided solely to provide coordination and assistance to groups  
39 established for the purpose of protecting, enhancing, and restoring the

1 biological, chemical, and physical processes of watersheds. These  
2 groups may include those involved in coordinated resource management,  
3 regional fisheries enhancement groups, conservation districts,  
4 watershed councils, and private nonprofit organizations incorporated  
5 under Title 24 RCW.

6 ~~((19))~~ (16) \$325,000 of the state drought preparedness account--  
7 state appropriation is provided solely for an environmental impact  
8 statement of the Pine Hollow reservoir project to be conducted in  
9 conjunction with the local irrigation district.

10 ~~((20) \$1,700,000)~~ (17) \$1,352,000 of the general fund--state  
11 appropriation for fiscal year 2002, \$700,000 of the state toxics  
12 control account--appropriation, and ~~((280,000))~~ \$980,000 of the oil  
13 spill prevention account appropriation are provided solely for oil  
14 spill prevention measures in Puget Sound. Of these amounts:

15 (a) The general fund appropriation ~~((is))~~, \$700,000 of the state  
16 toxics control account appropriation, and \$700,000 of the oil spill  
17 prevention account appropriation are provided solely for the department  
18 of ecology to provide for charter safety tug services~~((. Safety tug~~  
19 ~~services shall include: (i))~~, including the placement of a dedicated  
20 tug at Neah Bay for not less than 200 days in fiscal year 2002~~((+ and~~  
21 ~~(ii) other safety tug services that may be released by the department~~  
22 ~~at the request of the United States coast guard captain of the port for~~  
23 ~~Puget Sound to the areas or incidents that the department deems to be~~  
24 ~~of highest concern))~~ and fiscal year 2003. By January 10, 2002, the  
25 department shall report to the appropriate committees of the  
26 legislature regarding the number of dispatches, response time and  
27 distance, and other factors pertaining to the safety tug services. The  
28 general fund--state appropriation in this subsection is provided solely  
29 for implementation of the Puget Sound work plan and agency action item  
30 DOE-09;

31 (b) \$100,000 of the oil spill prevention account appropriation is  
32 provided solely for the department to conduct a vessel transponder  
33 feasibility study for Washington waters and undertake a trial vessel  
34 tracking program using transponders. In conducting the feasibility  
35 study and trial program, the department of ecology shall consult with  
36 state pilotage authorities, the maritime industry and the United States  
37 coast guard; and

38 (c) \$180,000 of the oil spill prevention account appropriation is  
39 provided solely to acquire vessel incident reporting information.

1 The governor shall request the federal government to provide  
2 ongoing resources to station a dedicated rescue tug at Neah Bay.

3 ~~((+21))~~ (18) \$600,000 of the water quality account--state  
4 appropriation is provided solely for setting instream flows in six  
5 basins not currently planning under the watershed planning act.

6 (19) \$500,000 of the general fund--state appropriation for fiscal  
7 year 2003 and \$250,000 of the water quality account--state  
8 appropriation are provided solely to implement House Bill No. 2993  
9 (water policy). If the bill is not enacted by June 30, 2002, the  
10 amount provided in this subsection shall lapse.

11 **Sec. 302.** 2001 2nd sp.s. c 7 s 303 (uncodified) is amended to read  
12 as follows:

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

14	General Fund--State Appropriation (FY 2002) . . . \$	<del>((32,298,000))</del>
15		<u>32,198,000</u>
16	General Fund--State Appropriation (FY 2003) . . . \$	<del>((32,866,000))</del>
17		<u>30,080,000</u>
18	General Fund--Federal Appropriation . . . . . \$	2,690,000
19	General Fund--Private/Local Appropriation . . . \$	60,000
20	Winter Recreation Program Account--State	
21	Appropriation . . . . . \$	<del>((787,000))</del>
22		<u>1,087,000</u>
23	Off Road Vehicle Account--State Appropriation . \$	274,000
24	Snowmobile Account--State Appropriation . . . . \$	4,682,000
25	Aquatic Lands Enhancement Account--State	
26	Appropriation . . . . . \$	337,000
27	Public Safety and Education Account--State	
28	Appropriation . . . . . \$	<del>((48,000))</del>
29		<u>46,000</u>
30	<u>Salmon Recovery Account--State</u>	
31	<u>Appropriation . . . . . \$</u>	<u>\$200,000</u>
32	Water Trail Program Account--State	
33	Appropriation . . . . . \$	24,000
34	Parks Renewal and Stewardship Account--	
35	State Appropriation . . . . . \$	<del>((26,420,000))</del>
36		<u>29,693,000</u>
37	TOTAL APPROPRIATION . . . . . \$	<del>((100,486,000))</del>
38		<u>101,371,000</u>

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

3 (1) Fees approved by the state parks and recreation commission in  
4 the 2001-03 biennium are authorized to exceed the fiscal growth factor  
5 under RCW 43.135.055.

6 (2) The state parks and recreation commission, in collaboration  
7 with the office of financial management and legislative staff, shall  
8 develop a cost-effective and readily accessible approach for reporting  
9 revenues and expenditures at each state park. The reporting system  
10 shall be complete and operational by December 1, 2001.

11 ~~(3) ((The appropriation in this section from the off-road vehicle~~  
12 ~~account--state is provided under RCW 46.09.170(1)(c) and is provided~~  
13 ~~solely to bring off-road vehicle recreation facilities into compliance~~  
14 ~~with the requirements, guidelines, spirit, and intent of the federal~~  
15 ~~Americans with disabilities act.~~

16 ~~---(4))~~ \$79,000 of the general fund--state appropriation for fiscal  
17 year 2002, \$79,000 of the general fund--state appropriation for fiscal  
18 year 2003, and \$8,000 of the winter recreation program account--state  
19 appropriation are provided solely for a grant for the operation of the  
20 Northwest avalanche center.

21 ~~((+5))~~ (4) \$432,000 of the parks renewal and stewardship account  
22 appropriation is provided for the operation of the Silver Lake visitor  
23 center. If a long-term management agreement is not reached with the  
24 U.S. forest service by September 30, 2001, the amount provided in this  
25 subsection shall lapse.

26 ~~((+6))~~ (5) \$189,000 of the aquatic lands enhancement account  
27 appropriation is provided solely for the implementation of the Puget  
28 Sound work plan and agency action item P+RC-02.

29 **Sec. 303.** 2001 2nd sp.s. c 7 s 304 (uncodified) is amended to read  
30 as follows:

31 **FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

32 General Fund--State Appropriation (FY 2002) . . . . .	\$	<del>((393,000))</del>
33		<u>143,000</u>
34 General Fund--State Appropriation (FY 2003) . . . . .	\$	<del>((395,000))</del>
35		<u>145,000</u>
36 General Fund--Federal Appropriation . . . . .	\$	8,358,000
37 Firearms Range Account--State Appropriation . . . . .	\$	13,000

1	<u>Salmon Recovery Account--State Appropriation</u> . . . . .	\$	500,000
2	Recreation Resources Account--State Appropriation . . . . .	\$	2,584,000
3	Recreation Resources Account--Federal Appropriation . . . . .	\$	481,000
4	NOVA Program Account--State Appropriation . . . . .	\$	611,000
5	Water Quality Account--State Appropriation . . . . .	\$	700,000
6	State Toxics Control Account--State Appropriation . . . . .	\$	500,000
7	Aquatic Lands Enhancement Account--State		
8	Appropriation . . . . .	\$	200,000
9	TOTAL APPROPRIATION . . . . .	\$	14,235,000

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

12       (1) (~~(\$250,000 of the general fund--state appropriation for fiscal~~  
13 ~~year 2002, \$250,000 of the general fund--state appropriation for fiscal~~  
14 ~~year 2003)) \$500,000 of the salmon recovery account--state  
15 appropriation, \$500,000 of the water quality account appropriation, and  
16 \$500,000 of the state toxics control account appropriation are provided  
17 solely to implement chapter 298, Laws of 2001, Substitute Senate Bill  
18 No. 5637 (watershed health monitoring and assessment) and for the  
19 development of a comprehensive salmon recovery and watershed health  
20 monitoring strategy and action plan. The strategy and action plan  
21 shall address the monitoring recommendations of the independent science  
22 panel in its report, *Recommendations for Monitoring Salmonid Recovery*  
23 *in Washington State* (December 2000), and of the joint legislative audit  
24 and review committee in its report *Investing in the Environment:*  
25 *Environmental Quality Grant and Loan Programs Performance Audit*  
26 (January 2001). The action plan shall include an assessment of state  
27 agency operations related to monitoring, evaluation, and adaptive  
28 management of salmon recovery and watershed health; any operational or  
29 statutory changes necessary to implement the strategy and action plan;  
30 and funding recommendations.~~

31       (2) \$8,000,000 of the general fund--federal appropriation is  
32 provided solely for implementation of the forest and fish agreement  
33 rules. These funds will be passed through to the department of natural  
34 resources and the department of fish and wildlife.

35       (3) By August 1, 2001, the interagency committee for outdoor  
36 recreation shall complete the public lands inventory project and submit  
37 the project report to the joint legislative audit and review committee  
38 for review.



1 (4) \$200,000 of the aquatic lands enhancement account--state  
2 appropriation is provided solely to develop and implement a  
3 conservation initiative for Maury Island. The interagency committee  
4 for outdoor recreation shall contract with the Cascade Land Conservancy  
5 to develop and implement the initiative and to provide the following  
6 services: (a) Land and resource appraisal; (b) development of a plan  
7 of finance for acquisition of land or interests in land; and (c)  
8 conduct negotiations among purchasers and willing sellers.

9 **Sec. 304.** 2001 2nd sp.s. c 7 s 306 (uncodified) is amended to read  
10 as follows:

11 **FOR THE CONSERVATION COMMISSION**

12	General Fund--State Appropriation (FY 2002) . . . \$	((2,207,000))
13		<u>2,152,000</u>
14	General Fund--State Appropriation (FY 2003) . . . \$	((2,196,000))
15		<u>2,141,000</u>
16	Water Quality Account--State Appropriation . . . \$	((3,739,000))
17		<u>2,138,000</u>
18	TOTAL APPROPRIATION . . . . . \$	((8,142,000))
19		<u>6,431,000</u>

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

22 (1) \$500,000 of the water quality account--state appropriation is  
23 provided solely for the agriculture, fish, and water negotiations to  
24 develop best management practices that will protect and recover salmon.  
25 The commission shall make grants to allow interest groups to  
26 participate in the negotiations.

27 ~~(2) ((\$1,601,000 of the water quality account--state appropriation~~  
28 ~~is provided solely for the completion of limiting factors analysis for~~  
29 ~~watersheds affected by listings of salmon and bull trout under the~~  
30 ~~federal endangered species act.~~

31 ~~---(3))~~ \$247,000 of the general fund--state appropriation for fiscal  
32 year 2002 and \$247,000 of the general fund--state appropriation for  
33 fiscal year 2003 are provided solely for the implementation of the  
34 Puget Sound work plan and agency action item CC-01.

35 ~~((+4))~~ (3) By March 1, 2002, the conservation reserve enhancement  
36 program contract with the federal farm service agency shall be proposed  
37 for amendment to allow funding of flexible riparian buffer standards

1 consistent with: (a) The recommendations of the state's  
 2 agriculture/fish/water negotiation process; or (b) ordinances adopted  
 3 through municipal regulations in compliance with the state growth  
 4 management act requirement to protect critical areas. These ordinances  
 5 shall be scientifically defensible and include programs for monitoring  
 6 and adaptive management.

7 **Sec. 305.** 2001 2nd sp.s. c 7 s 307 (uncodified) is amended to read  
 8 as follows:

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

10	General Fund--State Appropriation (FY 2002) . . .	\$	((51,600,000))
11			<u>46,997,000</u>
12	General Fund--State Appropriation (FY 2003) . . .	\$	((50,762,000))
13			<u>44,224,000</u>
14	General Fund--Federal Appropriation . . . . .	\$	((37,366,000))
15			<u>37,716,000</u>
16	General Fund--Private/Local Appropriation . . .	\$	24,365,000
17	Off Road Vehicle Account--State		
18	Appropriation . . . . .	\$	475,000
19	Aquatic Lands Enhancement Account--State		
20	Appropriation . . . . .	\$	((6,094,000))
21			<u>5,133,000</u>
22	Public Safety and Education Account--State		
23	Appropriation . . . . .	\$	((586,000))
24			<u>564,000</u>
25	Recreational Fisheries Enhancement Account--		
26	State Appropriation . . . . .	\$	((3,032,000))
27			<u>3,354,000</u>
28	<u>Salmon Recovery Account--State</u>		
29	<u>Appropriation</u> . . . . .	\$	<u>1,612,000</u>
30	Warm Water Game Fish Account--State		
31	Appropriation . . . . .	\$	2,567,000
32	Eastern Washington Pheasant Enhancement Account--		
33	State Appropriation . . . . .	\$	750,000
34	Wildlife Account--State Appropriation . . . . .	\$	((48,518,000))
35			<u>50,523,000</u>
36	Wildlife Account--Federal Appropriation . . . . .	\$	38,182,000
37	Wildlife Account--Private/Local		
38	Appropriation . . . . .	\$	15,133,000

1	Game Special Wildlife Account--State		
2	Appropriation . . . . .	\$	1,941,000
3	Game Special Wildlife Account--Federal		
4	Appropriation . . . . .	\$	9,591,000
5	Game Special Wildlife Account--Private/Local		
6	Appropriation . . . . .	\$	350,000
7	<del>((Water Quality Account--State Appropriation . . . . .</del>	<del>\$</del>	<del>1,000,000))</del>
8	Environmental Excellence Account--State		
9	Appropriation . . . . .	\$	15,000
10	Regional Fisheries Salmonid Recovery Account--		
11	Federal Appropriation . . . . .	\$	1,750,000
12	Oil Spill Administration Account--State		
13	Appropriation . . . . .	\$	963,000
14	Oyster Reserve Land Account--State		
15	Appropriation . . . . .	\$	135,000
16	TOTAL APPROPRIATION . . . . .	\$	<del>((295,175,000))</del>
17			<u>286,340,000</u>

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

20       (1) \$1,682,000 of the general fund--state appropriation for fiscal  
21 year 2002 and ~~(((\$1,682,000))~~ \$835,000 of the general fund--state  
22 appropriation for fiscal year 2003 are provided solely for the  
23 implementation of the Puget Sound work plan and agency action items  
24 DFW-01 through DFW-07.

25       (2) \$200,000 of the general fund--state appropriation for fiscal  
26 year 2002 and \$200,000 of the general fund--state appropriation for  
27 fiscal year 2003 are provided solely for the department to update the  
28 salmon and steelhead stock inventory.

29       (3) ~~(((\$550,000 of the general fund--state appropriation for fiscal  
30 year 2002 and \$550,000 of the general fund--state appropriation for  
31 fiscal year 2003 are provided solely for salmonid smolt production  
32 monitoring.~~

33       ~~---~~(4)) \$250,000 of the general fund--state appropriation for fiscal  
34 year 2002 and \$250,000 of the general fund--state appropriation for  
35 fiscal year 2003 are provided solely for the department to implement a  
36 hatchery endangered species act response. The response shall include  
37 emergency hatchery responses, production, and retrofitting of  
38 hatcheries for salmon recovery.

1       ~~((5))~~ (4) \$600,000 of the general fund--state appropriation for  
2 fiscal year 2002 and \$600,000 of the general fund--state appropriation  
3 for fiscal year 2003 are provided solely for local salmon recovery  
4 technical assistance.

5       ~~((6) \$1,625,000 of the general fund--state appropriation for  
6 fiscal year 2002 and \$1,625,000 of the general fund--state  
7 appropriation for fiscal year 2003 are provided solely to fund grants  
8 to lead entities established under chapter 77.85 RCW. The department,  
9 in consultation with the lead entity advisory group and individual lead  
10 entities, shall establish an application process and evaluation  
11 criteria to allocate funds to up to 26 lead entities to provide core  
12 activities identified in chapter 77.85 RCW. Grants to individual lead  
13 entities may range from \$37,500 to \$150,000 per year.~~

14       ~~(7) \$125,000 of the general fund--state appropriation for fiscal  
15 year 2002 and \$125,000 of the general fund--state appropriation for  
16 fiscal year 2003 are~~) (5) \$250,000 of the salmon recovery account  
17 appropriation is provided solely for a grant to the lower Skykomish  
18 River habitat conservation group for the purpose of developing a salmon  
19 recovery plan, in coordination with the lead entity established under  
20 chapter 77.85 RCW for that area. The salmon recovery plan must be  
21 consistent with the regional recovery plans of the Puget Sound shared  
22 strategy and criteria developed by the department for the regional  
23 salmon recovery planning program.

24       ~~((8) \$1,000,000 of the water quality--state appropriation is  
25 provided solely to fund grants to lead entities established under  
26 chapter 77.85 RCW or watershed planning units established under chapter  
27 90.82 RCW that agree to coordinate the development of comprehensive  
28 local and regional salmon recovery plans. The department shall  
29 establish a model for local and regional plans as well as eligibility  
30 and evaluation criteria for distribution of funds to lead entities and  
31 watershed planning units. No annual grant shall exceed \$125,000 per  
32 year.~~

33       ~~(9))~~ (6) \$91,000 of the warm water game fish account appropriation  
34 is provided solely for warm water fish culture at the Rod Meseberg warm  
35 water fish production facility.

36       ~~((10) \$300,000))~~ (7) \$200,000 of the general fund--state  
37 appropriation for fiscal year 2002 and ~~((300,000))~~ \$200,000 of the  
38 general fund--state appropriation for fiscal year 2003 are provided  
39 solely to fund ~~((four))~~ three cooperative compliance programs, ~~((two))~~

1 both in Western Washington and (~~two in~~) Eastern Washington. The  
2 cooperative compliance program shall conduct fish screen, fish way, and  
3 fish passage barrier assessments and correction plans for landowners  
4 seeking cooperative compliance agreements with the department.

5 (~~(11) \$1,300,000~~) (8) \$750,000 of the general fund--state  
6 appropriation for fiscal year (~~2002~~) 2003, \$1,300,000 of the salmon  
7 recovery account appropriation and \$5,000,000 of the general fund--  
8 federal appropriation are provided solely for economic adjustment  
9 assistance to fishermen pursuant to the 1999 Pacific salmon treaty  
10 agreement.

11 (~~(12)~~) (9) \$2,000,000 of the aquatic lands enhancement account  
12 appropriation is provided for cooperative volunteer projects.

13 (13) \$810,000 of the general fund--state appropriation for fiscal  
14 year 2002, \$790,000 of the general fund--state appropriation for fiscal  
15 year 2003, and \$250,000 of the wildlife account--state appropriation  
16 are provided solely for enforcement and biological staff to respond and  
17 take appropriate action to public complaints regarding bear and cougar.

18 (~~(14) The department shall evaluate the fish program to determine~~  
19 ~~if activities are aligned with agency objectives and if specific~~  
20 ~~activities support the agency's strategic plan.~~

21 ~~—(15))~~ (10) The department shall implement a lands program manager  
22 consolidation program. The consolidation program shall target the  
23 department's south central region. The savings from this consolidation  
24 shall be used by the department for additional maintenance on agency  
25 lands within the south central region.

26 (~~(16)~~) (11) The department shall implement a survey of all agency  
27 lands to evaluate whether agency lands support the agency's strategic  
28 plan and goals. The department shall submit a report to the governor  
29 and legislature by September 1, 2002, identifying those lands not  
30 conforming with the agency's strategic plan and which should be  
31 divested.

32 (~~(17)~~) (12) \$388,000 of the general fund--state appropriation for  
33 fiscal year 2002 and \$388,000 of the general fund--state appropriation  
34 for fiscal year 2003 are provided solely to implement the forests and  
35 fish agreement and includes funding to continue statewide coordination  
36 and implementation of the forests and fish rules, integration of  
37 portions of the hydraulic code into the forest practices rules to  
38 provide permit streamlining, and sharing the responsibility of

1 developing and implementing the required forests and fish agreement  
2 monitoring and adaptive management program.

3 ~~((+18+))~~ (13) \$194,000 of the general fund--state appropriation for  
4 fiscal year 2002 and \$195,000 of the general fund--state appropriation  
5 for fiscal year 2003 are provided solely for staff to represent the  
6 state's fish and wildlife interests in hydroelectric project  
7 relicensing processes by the federal energy regulatory commission.

8 ~~((+19+))~~ (14) \$156,000 of the wildlife account--state appropriation  
9 is provided solely for a youth fishing coordinator to develop  
10 partnerships with local communities, and to identify, develop, fund,  
11 and promote youth fishing events and opportunities. Event coordination  
12 and promotion services shall be contracted to a private consultant.

13 ~~((+20+))~~ (15) \$135,000 of the oyster reserve land account  
14 appropriation is provided solely to implement chapter 273, Laws of  
15 2001, Engrossed Second Substitute House Bill No. 1658 (state oyster  
16 reserve lands).

17 ~~((+21+))~~ (16) \$43,000 of the general fund--state appropriation for  
18 fiscal year 2002 and \$42,000 of the general fund--state appropriation  
19 for fiscal year 2003 are provided solely for staffing and operation of  
20 the Tennant Lake interpretive center.

21 ~~((+22+))~~ (17) \$32,000 of the general fund--state appropriation for  
22 fiscal year 2002 and \$33,000 of the general fund--state appropriation  
23 for fiscal year 2003 are provided solely to support the activities of  
24 the aquatic nuisance species coordination committee to foster state,  
25 federal, tribal, and private cooperation on aquatic nuisance species  
26 issues. The committee shall strive to prevent the introduction of  
27 nonnative aquatic species and to minimize the spread of species that  
28 are introduced.

29 ~~((+23+))~~ (18) \$25,000 of the wildlife account--state appropriation  
30 is provided solely for the WildWatchCam program to provide internet  
31 transmission of live views of wildlife.

32 ~~((+24+))~~ (19) \$8,000 of the general fund--state appropriation for  
33 fiscal year 2002 and \$7,000 of the general fund--state appropriation  
34 for fiscal year 2003 are provided solely for the payment of the  
35 department's share of approved lake management district assessments.  
36 By December 15, 2001, the department shall provide the legislature a  
37 summary of its activities related to lake management districts as well  
38 as recommendations for establishing equitable lake management district  
39 assessments.

1       **Sec. 306.** 2001 2nd sp.s. c 7 s 308 (uncodified) is amended to read  
2 as follows:

3 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

4	General Fund--State Appropriation (FY 2002) . . . \$	(( <del>36,709,000</del> ))
5		<u>36,390,000</u>
6	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>36,266,000</del> ))
7		<u>34,216,000</u>
8	General Fund--Federal Appropriation . . . . . \$	(( <del>3,440,000</del> ))
9		<u>10,936,000</u>
10	General Fund--Private/Local Appropriation . . . \$	(( <del>1,865,000</del> ))
11		<u>2,165,000</u>
12	Forest Development Account--State	
13	Appropriation . . . . . \$	(( <del>52,511,000</del> ))
14		<u>50,216,000</u>
15	Off Road Vehicle Account--State	
16	Appropriation . . . . . \$	3,684,000
17	Surveys and Maps Account--State	
18	Appropriation . . . . . \$	2,689,000
19	Aquatic Lands Enhancement Account--State	
20	Appropriation . . . . . \$	(( <del>4,458,000</del> ))
21		<u>3,923,000</u>
22	Resources Management Cost Account--State	
23	Appropriation . . . . . \$	(( <del>85,979,000</del> ))
24		<u>79,434,000</u>
25	Surface Mining Reclamation Account--State	
26	Appropriation . . . . . \$	(( <del>2,549,000</del> ))
27		<u>2,416,000</u>
28	Salmon Recovery Account--State	
29	Appropriation . . . . . \$	625,000
30	Water Quality Account--State Appropriation . . . \$	2,900,000
31	Aquatic Land Dredged Material Disposal Site	
32	Account--State Appropriation . . . . . \$	1,056,000
33	Natural Resource Conservation Areas Stewardship	
34	Account Appropriation . . . . . \$	(( <del>34,000</del> ))
35		<u>209,000</u>
36	<u>State Toxics Control Account--State</u>	
37	<u>Appropriation</u> . . . . . <u>\$</u>	<u>1,865,000</u>
38	Air Pollution Control Account--State	
39	Appropriation . . . . . \$	629,000

1	Metals Mining Account--State Appropriation . . . \$	64,000
2	Agricultural College Trust Management Account	
3	Appropriation . . . . . \$	1,790,000
4	<u>Derelict Vessel Removal Account--State</u>	
5	<u>Appropriation . . . . . \$</u>	<u>89,000</u>
6	TOTAL APPROPRIATION . . . . . \$	((237,248,000))
7		<u>235,296,000</u>

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

10       (1) \$18,000 of the general fund--state appropriation for fiscal  
11 year 2002, \$18,000 of the general fund--state appropriation for fiscal  
12 year 2003, and \$998,000 of the aquatic lands enhancement account  
13 appropriation are provided solely for the implementation of the Puget  
14 Sound work plan and agency action items DNR-01, DNR-02, and DNR-04.

15       (2)(a) \$625,000 of the salmon recovery account appropriation,  
16 \$1,250,000 of the general fund--state appropriation for fiscal year  
17 2002, \$1,250,000 of the general fund--state appropriation for fiscal  
18 year 2003, and \$2,900,000 of the water quality account--state  
19 appropriation are provided solely for implementation of chapter 4, Laws  
20 of 1999 sp. sess. (forest practices and salmon recovery).

21       (b) \$250,000 of the salmon recovery account appropriation is  
22 provided solely for and shall be expended to develop a small forest  
23 landowner data base in ten counties. \$150,000 of the amount in this  
24 subsection shall be used to purchase the data. \$100,000 of the amount  
25 in this subsection shall purchase contracted analysis of the data.

26       (3) \$2,000,000 of the forest development account appropriation is  
27 provided solely for road decommissioning, maintenance, and repair in  
28 the Lake Whatcom watershed.

29       (4) \$543,000 of the forest fire protection assessment account  
30 appropriation, \$22,000 of the forest development account appropriation,  
31 and \$76,000 of the resource management cost account appropriation are  
32 provided solely to implement chapter 279, Laws of 2001, Substitute  
33 House Bill No. 2104, (modifying forest fire protection assessments).

34       (5) \$895,000 of the general fund--state appropriation for fiscal  
35 year 2002 and ((~~\$895,000~~)) \$354,000 of the general fund--state  
36 appropriation for fiscal year 2003 shall be transferred to the  
37 agricultural college trust management account and are provided solely



1 to manage approximately 70,700 acres of Washington State University's  
2 agricultural college trust lands.

3 ~~((7))~~ (6) \$4,000 of the general fund--state appropriation for  
4 fiscal year 2002 and \$4,000 of the general fund--state appropriation  
5 for fiscal year 2003 are provided solely to compensate the forest board  
6 trust for a portion of the lease to the Crescent television improvement  
7 district consistent with RCW 79.12.055.

8 ~~((8) The appropriation from the off-road vehicle account--state is  
9 provided under RCW 46.09.170(1)(a)(ii) and is provided solely for  
10 projects that bring off-road vehicle recreation facilities into  
11 compliance with the requirements, guidelines, spirit, and intent of the  
12 federal Americans with disabilities act and do not compromise or impair  
13 sensitive natural resources.~~

14 ~~---~~~~(9))~~ (7) \$828,000 of the surface mine reclamation account  
15 appropriation is provided to implement Engrossed House Bill No. 1845  
16 (surface mining fees). If the bill is not enacted by June 30, 2001,  
17 the amount provided in this subsection shall lapse.

18 ~~((10))~~ (8) \$800,000 of the aquatic lands enhancement account  
19 appropriation and \$200,000 of the resources management cost account  
20 appropriation are provided solely to improve asset management on state-  
21 owned aquatic lands. The department shall streamline the use  
22 authorization process for businesses operating on state-owned aquatic  
23 lands and issue decisions on 325 pending lease applications by June 30,  
24 ~~((2002))~~ 2003. The department, in consultation with the attorney  
25 general, shall develop a strategic program to resolve claims related to  
26 contaminated sediments on state-owned aquatic lands.

27 ~~((11))~~ (9) \$246,000 of the resource management cost account  
28 appropriation is provided to the department for continuing control of  
29 spruce budworm.

30 ~~((12))~~ (10) \$100,000 of the aquatic lands enhancement account is  
31 provided solely for the development and initial implementation of a  
32 statewide management plan for marine reserves.

33 ~~((13))~~ (11) \$7,657,859 of the general fund--state appropriation  
34 for fiscal year 2002 and \$7,657,859 of the general fund--state  
35 appropriation for fiscal year 2003 are provided solely for emergency  
36 fire suppression.

37 ~~((14))~~ (12) \$7,216,000 of the general fund--state appropriation  
38 for fiscal year 2002 and \$6,584,000 of the general fund--state  
39 appropriation for fiscal year 2003 are provided solely for fire

1 protection activities and to implement provisions of the 1997 tridata  
2 fire program review.

3 ~~((15) \$275,000))~~ (13) \$100,000 of the general fund--state  
4 appropriation for fiscal year 2002, ~~(( \$275,000 of the general~~  
5 ~~fund--state appropriation for fiscal year 2003, and))~~ \$550,000 of the  
6 aquatic lands enhancement account--state appropriation, and \$209,000 of  
7 the natural resources conservation areas stewardship account--state  
8 appropriation are provided solely to the department for planning,  
9 management, and stewardship of natural area preserves and natural  
10 resources conservation areas.

11 ~~((16))~~ (14) \$187,000 of the general fund--state appropriation for  
12 fiscal year 2002~~((, \$188,000 of the general fund--state appropriation~~  
13 ~~for fiscal year 2003, and \$375,000 of the aquatic lands enhancement~~  
14 ~~account--state appropriation are))~~ is provided solely to the department  
15 for maintenance and stewardship of public lands.

16 ~~((17))~~ (15) \$100,000 of the general fund--state appropriation for  
17 fiscal year 2002, \$100,000 of the general fund--state appropriation for  
18 fiscal year 2003, and \$400,000 of the aquatic lands enhancement account  
19 appropriation are provided solely for spartina control.

20 (16) Within the amounts appropriated in this section, the  
21 department shall review the current procedures used to mobilize  
22 resources to fight forest fires under the state mobilization plan and  
23 through the department of natural resources. The review must include  
24 recommendations to ensure that the people closest to a fire are called  
25 first, to allow private contractors to be mobilized under the state  
26 mobilization plan, and to identify other efficiencies. The department  
27 shall review recent studies regarding ways to improve forest fire  
28 fighting in the state. The department shall consult with  
29 representatives of private contractors, fire districts, municipal fire  
30 departments, the state fire marshal, appropriate federal agencies, and  
31 other interested groups in developing the recommendations. The  
32 department shall report their findings and recommendations to the  
33 appropriate committees of the legislature by January 1, 2003.

34 (17) Within the amounts appropriated in this section the department  
35 shall implement Substitute House Bill No. 2294 (recreation sites).

36 **Sec. 307.** 2001 2nd sp.s. c 7 s 309 (uncodified) is amended to read  
37 as follows:

38 **FOR THE DEPARTMENT OF AGRICULTURE**



1 (4) \$75,000 of the general fund--state appropriation for fiscal  
2 year 2002, \$75,000 of the general fund--state appropriation for fiscal  
3 year 2003, and \$150,000 of the general fund--federal appropriation are  
4 provided solely to the small farm and direct marketing program to  
5 support small farms in complying with federal, state, and local  
6 regulations, facilitating access to food processing centers, and  
7 assisting with grant funding requests.

8 (5) (~~(\$350,000)~~) \$225,000 of the general fund--state appropriation  
9 for fiscal year 2002, (~~(\$350,000)~~) \$100,000 of the general fund--state  
10 appropriation for fiscal year 2003, and \$700,000 of the general fund--  
11 private/local appropriation are provided solely to implement chapter  
12 324, Laws of 2001 (Substitute House Bill No. 1891, marketing of  
13 agriculture). Of these amounts, \$40,000 of the general fund--state  
14 appropriation is provided solely to match funds provided by the red  
15 raspberry commission to address unfair trade practices by other  
16 countries that result in sales in Washington that are below the cost of  
17 production in Washington.

18 (6) \$450,000 of the state toxics control account--state  
19 appropriation is provided solely for deposit in the agricultural local  
20 nonappropriated account for the plant pest account to reimburse county  
21 horticultural pest and disease boards for the costs of pest control  
22 activities, including tree removal, conducted under their existing  
23 authorities in chapters 15.08 and 15.09 RCW.

24 (7) The district manager for district two as defined in WAC 16-458-  
25 075 shall transfer four hundred fifty thousand dollars from the fruit  
26 and vegetable district fund to the plant pest account within the  
27 agricultural local fund. The amount transferred must be derived from  
28 fees collected for state inspections of tree fruits and shall be used  
29 solely to reimburse county horticultural pest and disease boards in  
30 district two for the cost of pest control activities, including tree  
31 removal, conducted under their existing authority in chapters 15.08 and  
32 15.09 RCW. The transfer of funds shall occur by July 1, 2001. On June  
33 30, 2003, any unexpended portion of the four hundred fifty thousand  
34 dollars shall be returned to the fruit and vegetable district fund.

35 (End of part)

**PART IV  
TRANSPORTATION**

**Sec. 401.** 2001 2nd sp.s. c 7 s 401 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

6	General Fund--State Appropriation (FY 2002) . . . \$	(( <del>5,389,000</del> ))
7		<u>5,366,000</u>
8	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>5,377,000</del> ))
9		<u>5,267,000</u>
10	Architects' License Account--State	
11	Appropriation . . . . . \$	(( <del>707,000</del> ))
12		<u>684,000</u>
13	Cemetery Account--State Appropriation . . . . . \$	(( <del>214,000</del> ))
14		<u>200,000</u>
15	Professional Engineers' Account--State	
16	Appropriation . . . . . \$	(( <del>3,032,000</del> ))
17		<u>3,102,000</u>
18	Real Estate Commission--State Appropriation . . . \$	(( <del>6,777,000</del> ))
19		<u>6,837,000</u>
20	Master License Account--State Appropriation . . . \$	(( <del>8,409,000</del> ))
21		<u>8,278,000</u>
22	Uniform Commercial Code Account--State	
23	Appropriation . . . . . \$	(( <del>3,104,000</del> ))
24		<u>2,900,000</u>
25	Real Estate Education Account--State	
26	Appropriation . . . . . \$	(( <del>301,000</del> ))
27		<u>276,000</u>
28	Funeral Directors and Embalmers Account--State	
29	Appropriation . . . . . \$	(( <del>490,000</del> ))
30		<u>459,000</u>
31	Washington Real Estate Research Account	
32	Appropriation . . . . . \$	(( <del>316,000</del> ))
33		<u>307,000</u>
34	Data Processing Revolving Account--State	
35	Appropriation . . . . . \$	23,000
36	TOTAL APPROPRIATION . . . . . \$	(( <del>34,139,000</del> ))

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The appropriations in this section are subject to the following conditions and limitations: In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2001-03 fiscal biennium. Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

**Sec. 402.** 2001 2nd sp.s. c 7 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE PATROL**

General Fund--State Appropriation (FY 2002) . . . . .	\$	((21,890,000))
		<u>21,567,000</u>
General Fund--State Appropriation (FY 2003) . . . . .	\$	((8,066,000))
		<u>8,133,000</u>
General Fund--Federal Appropriation . . . . .	\$	4,178,000
General Fund--Private/Local Appropriation . . . . .	\$	369,000
Death Investigations Account--State		
Appropriation . . . . .	\$	((3,899,000))
		<u>4,024,000</u>
Public Safety and Education Account--State		
Appropriation . . . . .	\$	((16,070,000))
		<u>14,790,000</u>
County Criminal Justice Assistance Account--State		
Appropriation . . . . .	\$	((2,490,000))
		<u>2,870,000</u>
Municipal Criminal Justice Assistance Account--		
State Appropriation . . . . .	\$	((987,000))
		<u>1,367,000</u>
Fire Service Trust Account--State		
Appropriation . . . . .	\$	125,000
Fire Service Training Account--State		

1	Appropriation . . . . .	\$	6,328,000
2	State Toxics Control Account--State		
3	Appropriation . . . . .	\$	461,000
4	Violence Reduction and Drug Enforcement Account--		
5	State Appropriation . . . . .	\$	277,000
6	Fingerprint Identification Account--State		
7	Appropriation . . . . .	\$	<del>((3,684,000))</del>
8			<u>5,316,000</u>
9	TOTAL APPROPRIATION . . . . .	\$	<del>((68,824,000))</del>
10			<u>69,805,000</u>

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

13 (1) \$354,000 of the public safety and education account  
14 appropriation is provided solely for additional law enforcement and  
15 security coverage on the west capitol campus.

16 (2) When a program within the agency is supported by more than one  
17 fund and one of the funds is the state general fund, the agency shall  
18 charge its expenditures in such a manner as to ensure that each fund is  
19 charged in proportion to its support of the program. The agency may  
20 adopt guidelines for the implementation of this subsection. The  
21 guidelines may account for federal matching requirements, budget  
22 provisos, or other requirements to spend other moneys in a particular  
23 manner.

24 (3) \$100,000 of the public safety and education account  
25 appropriation is provided solely for the implementation of Substitute  
26 Senate Bill No. 5896 (DNA testing of evidence). If the bill is not  
27 enacted by June 30, 2001, the amount provided in this subsection shall  
28 lapse.

29 (4) \$1,419,000 of the public safety and education account--state  
30 appropriation is provided solely for combating the proliferation of  
31 methamphetamine labs. The amounts in this subsection are provided  
32 solely for the following activities: (a) The establishment of a  
33 regional methamphetamine enforcement, training, and education program;  
34 (b) additional members for the statewide methamphetamine incident  
35 response team; and (c) two forensic scientists with the necessary  
36 equipment to perform lab analysis in the crime laboratory division.

37 ~~((6) Beginning in fiscal year 2003, the funding provided in this~~  
38 ~~subsection assumes a transfer of \$12,634,000 of state patrol~~

1 ~~expenditures from the omnibus operating budget to the transportation~~  
2 ~~budget. If new transportation revenue is not enacted before this time,~~  
3 ~~the omnibus budget will restore this funding in the 2002 legislative~~  
4 ~~session.))~~

5 (5) Within the amounts appropriated in this section, funding is  
6 provided to implement Substitute House Bill No. 2468 (offender DNA  
7 database).

8 (End of part)



**PART V**  
**EDUCATION**

**Sec. 501.** 2001 2nd sp.s. c 7 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2002) . . . . .	\$	(( <del>12,357,000</del> ))
		<u>12,302,000</u>
General Fund--State Appropriation (FY 2003) . . . . .	\$	(( <del>12,266,000</del> ))
		<u>11,870,000</u>
General Fund--Federal Appropriation . . . . .	\$	(( <del>23,668,000</del> ))
		<u>53,760,000</u>
TOTAL APPROPRIATION . . . . .	\$	(( <del>48,291,000</del> ))
		<u>77,932,000</u>

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

(a) \$11,385,000 of the general fund--state appropriation for fiscal year 2002 and ((~~\$11,394,000~~)) \$10,943,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Of this amount, \$350,000 is provided in each fiscal year for upgrading information systems including the general apportionment and student information systems.

(b) ((~~\$541,000~~)) \$486,000 of the general fund--state appropriation for fiscal year 2002 and ((~~\$441,000~~)) \$496,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. \$45,000 of the general fund--state appropriation for fiscal year 2002((~~, \$100,000 is~~)) and \$55,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for certificate of mastery development and validation.

(c) \$431,000 of the general fund--state appropriation for fiscal year 2002 and \$431,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the Washington professional educator standards board.

1 (d) \$49,000 of the general fund--state appropriation for fiscal  
2 year 2003 is provided solely to support the joint task force on local  
3 effort assistance created by House Bill No. 3011.

4 (2) STATEWIDE PROGRAMS

5	General Fund--State Appropriation (FY 2002) . . . \$	((17,274,000))
6		<u>17,280,000</u>
7	General Fund--State Appropriation (FY 2003) . . . \$	((19,407,000))
8		<u>17,039,000</u>
9	General Fund--Federal Appropriation . . . . . \$	((213,016,000))
10		<u>85,395,000</u>
11	TOTAL APPROPRIATION . . . . . \$	((249,697,000))
12		<u>119,714,000</u>

13 The appropriations in this subsection are provided solely for the  
14 statewide programs specified in this subsection and are subject to the  
15 following conditions and limitations:

16 (a) HEALTH AND SAFETY

17 (i) A maximum of \$150,000 of the general fund--state appropriation  
18 for fiscal year 2002 (~~((and a maximum of \$150,000 of the fiscal year~~  
19 ~~2003 appropriation are))~~ is provided for alcohol and drug prevention  
20 programs pursuant to RCW 66.08.180.

21 (ii) A maximum \$2,621,000 of the general fund--state appropriation  
22 for fiscal year 2002 and a maximum of \$2,621,000 of the general fund--  
23 state appropriation for fiscal year 2003 are provided for a corps of  
24 nurses located at educational service districts, as determined by the  
25 superintendent of public instruction, to be dispatched to the most  
26 needy schools to provide direct care to students, health education, and  
27 training for school staff.

28 (iii) A maximum of \$100,000 of the general fund--state  
29 appropriation for fiscal year 2002 and a maximum of \$100,000 of the  
30 general fund--state appropriation for fiscal year 2003 are provided to  
31 create a school safety center subject to the following conditions and  
32 limitations.

33 (A) The safety center shall: Disseminate successful models of  
34 school safety plans and cooperative efforts; provide assistance to  
35 schools to establish a comprehensive safe school plan; select models of  
36 cooperative efforts that have been proven successful; act as an  
37 information dissemination and resource center when an incident occurs  
38 in a school district either in Washington or in another state;

1 coordinate activities relating to school safety; review and approve  
2 manuals and curricula used for school safety models and training; and  
3 develop and maintain a school safety information web site.

4 (B) The school safety center shall be established in the office of  
5 the superintendent of public instruction. The superintendent of public  
6 instruction shall participate in a school safety center advisory  
7 committee that includes representatives of educators, classified staff,  
8 principals, superintendents, administrators, the American society for  
9 industrial security, the state criminal justice training commission,  
10 and others deemed appropriate and approved by the school safety center  
11 advisory committee. Members of the committee shall be chosen by the  
12 groups they represent. In addition, the Washington association of  
13 sheriffs and police chiefs shall appoint representatives of law  
14 enforcement to participate on the school safety center advisory  
15 committee. The advisory committee shall select a chair.

16 (C) The school safety center advisory committee shall develop a  
17 training program, using the best practices in school safety, for all  
18 school safety personnel.

19 (iv) A maximum of \$113,000 of the general fund--state appropriation  
20 for fiscal year 2002 and a maximum of \$103,000 of the general fund--  
21 state appropriation for fiscal year 2003 are provided for a school  
22 safety training program provided by the criminal justice training  
23 commission subject to the following conditions and limitations:

24 (A) The criminal justice training commission with assistance of the  
25 school safety center advisory committee established in section  
26 2(b)(iii) of this section shall develop manuals and curricula for a  
27 training program for all school safety personnel.

28 (B) The Washington state criminal justice training commission, in  
29 collaboration with the advisory committee, shall provide the school  
30 safety training for all school administrators and school safety  
31 personnel, including school safety personnel hired after the effective  
32 date of this section.

33 (v) A maximum of \$250,000 of the general fund--state appropriation  
34 for fiscal year 2002 and a maximum of \$250,000 of the general  
35 fund--state appropriation for fiscal year 2003 are provided for  
36 training in school districts regarding the prevention of bullying and  
37 harassment. The superintendent of public instruction shall use the  
38 funds to develop a model bullying and harassment prevention policy and  
39 training materials for school and educational service districts. The

1 information may be disseminated in a variety of ways, including  
2 workshops and other staff development activities such as videotape or  
3 broadcasts.

4 (vi) A maximum of (~~(\$6,042,000)~~) \$6,048,000 of the general  
5 fund--state appropriation for fiscal year 2002 and a maximum of  
6 (~~(\$6,028,000)~~) \$6,084,000 of the general fund--state appropriation for  
7 fiscal year 2003 are provided for a safety allocation to districts  
8 subject to the following conditions and limitations:

9 (A) The funds shall be allocated at a maximum rate of \$6.36 per  
10 year per full-time equivalent K-12 student enrolled in each school  
11 district in the prior school year.

12 (B) Districts (~~(shall)~~) may expend funds allocated under this  
13 section to develop and implement strategies identified in a  
14 comprehensive safe school plan pursuant to House Bill No. 1818 (student  
15 safety) or Senate Bill No. 5543 (student safety). If neither bill is  
16 enacted by June 30, (~~(2001)~~) 2002, expenditures of the safety  
17 allocation shall be subject to (i), (ii), and (iii) of this subsection  
18 (a)(vi)(B).

19 (i) School districts shall use the funds for school safety purposes  
20 and are encouraged to prioritize the use of funds allocated under this  
21 section for the development, by September 1, 2002, of school-based  
22 comprehensive safe school plans that include prevention, intervention,  
23 all-hazards/crisis response, and post crisis recovery components. When  
24 developing comprehensive safe school plans, school districts are  
25 encouraged to use model school safety plans as developed by the school  
26 safety center. Implementation of comprehensive safe school plans may  
27 include, but is not limited to, employing or contracting for building  
28 security monitors in schools during school hours and school events;  
29 research-based early prevention and intervention programs; training for  
30 school staff, including security personnel; equipment; school safety  
31 hotlines; before, during, and after-school student and staff safety;  
32 minor building renovations related to student and staff safety and  
33 security; and other purposes identified in the comprehensive safe  
34 school plan.

35 (ii) Each school may conduct an evaluation of its comprehensive  
36 safe school plan and conduct reviews, drills, or simulated practices in  
37 coordination with local fire, law enforcement, and medical emergency  
38 management agencies.

1 (iii) By September 1, 2002, school districts shall provide the  
2 superintendent of public instruction information regarding the purposes  
3 for which the safety allocation funding was used and the status of the  
4 comprehensive safe school plans for the schools in the school district.

5 (vii) A maximum of \$200,000 of the general fund--state  
6 appropriation for fiscal year 2002, a maximum of \$200,000 of the  
7 general fund--state appropriation for fiscal year 2003, and \$400,000 of  
8 the general fund--federal appropriation transferred from the department  
9 of health are provided for a program that provides grants to school  
10 districts for media campaigns promoting sexual abstinence and  
11 addressing the importance of delaying sexual activity, pregnancy, and  
12 childbearing until individuals are ready to nurture and support their  
13 children. Grants to the school districts shall be for projects that  
14 are substantially designed and produced by students. The grants shall  
15 require a local private sector match equal to one-half of the state  
16 grant, which may include in-kind contribution of technical or other  
17 assistance from consultants or firms involved in public relations,  
18 advertising, broadcasting, and graphics or video production or other  
19 related fields.

20 (viii) A maximum of \$150,000 of the general fund--state  
21 appropriation for fiscal year 2002 and a maximum of \$150,000 of the  
22 general fund--state appropriation for fiscal year 2003 are provided for  
23 a nonviolence and leadership training program provided by the institute  
24 for community leadership. The program shall provide the following:

25 (A) Statewide nonviolence leadership coaches training program for  
26 certification of educational employees and community members in  
27 nonviolence leadership workshops;

28 (B) Statewide leadership nonviolence student exchanges, training,  
29 and speaking opportunities for student workshop participants; and

30 (C) A request for proposal process, with up to 80 percent funding,  
31 for nonviolence leadership workshops serving at least 12 school  
32 districts with direct programming in 36 elementary, middle, and high  
33 schools throughout Washington state.

34 (ix) A maximum of \$1,500,000 of the general fund--state  
35 appropriation for fiscal year 2002 and a maximum of (~~(\$1,500,000)~~)  
36 \$750,000 of the general fund--state appropriation for fiscal year 2003  
37 are provided for school district petitions to juvenile court for truant  
38 students as provided in RCW 28A.225.030 and 28A.225.035. Allocation of

1 this money to school districts shall be based on the number of  
2 petitions filed.

3 (b) TECHNOLOGY

4 (i) A maximum of \$2,000,000 of the general fund--state  
5 appropriation for fiscal year 2002 and a maximum of \$2,000,000 of the  
6 general fund--state appropriation for fiscal year 2003 are provided for  
7 K-20 telecommunications network technical support in the K-12 sector to  
8 prevent system failures and avoid interruptions in school utilization  
9 of the data processing and video-conferencing capabilities of the  
10 network. These funds may be used to purchase engineering and advanced  
11 technical support for the network. A maximum of \$650,000 of this  
12 amount may be expended for state-level administration and staff  
13 training on the K-20 network.

14 (ii) A maximum of \$617,000 of the general fund--state appropriation  
15 for fiscal year 2002 and a maximum of \$1,112,000 of the general fund--  
16 state appropriation for fiscal year 2003 are provided for the  
17 Washington state leadership assistance for science education reform  
18 (LASER) regional partnership coordinated at the Pacific Science Center.

19 (c) GRANTS AND ALLOCATIONS

20 (i) A maximum of \$25,000 of the general fund--state appropriation  
21 for fiscal year 2002 and a maximum of \$1,975,000 of the general fund--  
22 state appropriation for fiscal year 2003 are provided for Senate Bill  
23 No. 5695 (alternative certification routes). If the bill is not  
24 enacted by June 30, 2001, the amount provided in this subsection shall  
25 lapse. The stipend allocation per teacher candidate and mentor pair  
26 shall not exceed (~~(\$28,318)~~) \$28,456. The professional educator  
27 standards board shall report to the education committees of the  
28 legislature by December 15, 2002, on the districts applying for  
29 partnership grants, the districts receiving partnership grants, and the  
30 number of interns per route enrolled in each district.

31 (ii) A maximum of \$31,500 of the general fund--state appropriation  
32 for fiscal year 2002 and a maximum of \$31,500 of the general fund--  
33 state appropriation for fiscal year 2003 are provided for operation of  
34 the Cispus environmental learning center.

35 (iii) A maximum of \$150,000 of the general fund--state  
36 appropriation for fiscal year 2002 and a maximum of \$150,000 of the  
37 general fund--state appropriation for fiscal year 2003 are provided for  
38 the Washington civil liberties education program.

1 (iv) A maximum of \$2,150,000 of the general fund--state  
2 appropriation for fiscal year 2002 (~~((and a maximum of \$2,150,000 of the~~  
3 ~~general fund--state appropriation for fiscal year 2003 are))~~) is  
4 provided for complex need grants. The maximum grants for eligible  
5 districts are specified in LEAP Document 30C as developed on April 27,  
6 1997, at 03:00 hours.

7 (v) A maximum of \$1,377,000 of the general fund--state  
8 appropriation for fiscal year 2002 (~~((and a maximum of \$1,377,000 of the~~  
9 ~~general fund--state appropriation for fiscal year 2003 are))~~) is  
10 provided for educational centers, including state support activities.  
11 (~~(\$100,000)~~) \$50,000 of this amount is provided to help stabilize  
12 funding through distribution among existing education centers that are  
13 currently funded by the state at an amount less than (~~(\$100,000 a~~  
14 ~~biennium)~~) \$50,000 a year.

15 (vi) A maximum of \$50,000 of the general fund--state appropriation  
16 for fiscal year 2002 (~~((and a maximum of \$50,000 of the general fund--~~  
17 ~~state appropriation for fiscal year 2003 are))~~) is provided for an  
18 organization in southwest Washington that received funding from the  
19 Spokane educational center in the 1995-97 biennium and provides  
20 educational services to students who have dropped out of school.

21 (vii) A maximum of \$1,262,000 of the general fund--state  
22 appropriation for fiscal year 2002 and a maximum of \$1,262,000 of the  
23 general fund--state appropriation for fiscal year 2003 are provided for  
24 in-service training and educational programs conducted by the Pacific  
25 Science Center.

26 (viii) A maximum of \$100,000 of the general fund--state  
27 appropriation for fiscal year 2002 and a maximum of \$100,000 of the  
28 general fund--state appropriation for fiscal year 2003 are provided to  
29 support vocational student leadership organizations.

30 (ix) \$9,900,000 of the general fund--federal appropriation is  
31 provided for the Washington Reads project to enhance high quality  
32 reading instruction and school programs.

33 (x) A maximum of \$150,000 of the general fund--state appropriation  
34 for fiscal year 2002 and a maximum of \$150,000 of the general fund--  
35 state appropriation for fiscal year 2003 are provided for the World War  
36 II oral history project.

37 (xi) (~~(\$30,700,000)~~) \$13,942,000 of the general fund--federal  
38 appropriation is provided for school renovation grants for school

1 districts with urgent school renovation needs, special education-  
2 related renovations, and technology related renovations.

3 (xii) (~~(\$1,952,000)~~) \$4,962,000 of the general fund--federal  
4 appropriation is provided for LINKS technology challenge grants to  
5 integrate educational reform with state technology systems and  
6 development of technology products that enhance professional  
7 development and classroom instruction.

8 (xiii) (~~(\$423,000)~~) \$536,000 of the general fund--federal  
9 appropriation is provided for the advanced placement fee program to  
10 increase opportunities for low-income students and under-represented  
11 populations to participate in advanced placement courses and to  
12 increase the capacity of schools to provide advanced placement courses  
13 to students.

14 (xiv) \$12,318,000 of the general fund--federal appropriation is  
15 provided for comprehensive school reform demonstration projects to  
16 provide grants to low-income schools for improving student achievement  
17 through adoption and implementation of research-based curricula and  
18 instructional programs.

19 (xv) (~~(\$4,228,000)~~) \$2,612,000 of the general fund--federal  
20 appropriation is provided for teacher quality enhancement through  
21 provision of consortia grants to school districts and higher education  
22 institutions to improve teacher preparation and professional  
23 development.

24 **Sec. 502.** 2001 2nd sp.s. c 7 s 502 (uncodified) is amended to read  
25 as follows:

26 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**

27	General Fund--State Appropriation (FY 2002)	. . . \$	( <del>(3,760,826,000)</del> )
28			<u>3,786,124,000</u>
29	General Fund--State Appropriation (FY 2003)	. . . \$	( <del>(3,751,350,000)</del> )
30			<u>3,722,279,000</u>
31	TOTAL APPROPRIATION	. . . . . \$	( <del>(7,512,176,000)</del> )
32			<u>7,508,403,000</u>

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

35 (1) Each general fund fiscal year appropriation includes such funds  
36 as are necessary to complete the school year ending in the fiscal year  
37 and for prior fiscal year adjustments.



1 (2) Allocations for certificated staff salaries for the 2001-02 and  
2 2002-03 school years shall be determined using formula-generated staff  
3 units calculated pursuant to this subsection. Staff allocations for  
4 small school enrollments in (d) through (f) of this subsection shall be  
5 reduced for vocational full-time equivalent enrollments. Staff  
6 allocations for small school enrollments in grades K-6 shall be the  
7 greater of that generated under (a) of this subsection, or under (d)  
8 and (e) of this subsection. Certificated staffing allocations shall be  
9 as follows:

10 (a) On the basis of each 1,000 average annual full-time equivalent  
11 enrollments, excluding full-time equivalent enrollment otherwise  
12 recognized for certificated staff unit allocations under (c) through  
13 (f) of this subsection:

14 (i) Four certificated administrative staff units per thousand full-  
15 time equivalent students in grades K-12;

16 (ii) 49 certificated instructional staff units per thousand full-  
17 time equivalent students in grades K-3;

18 (iii) Forty-six certificated instructional staff units per thousand  
19 full-time equivalent students in grades 4-12; and

20 (iv) An additional 4.2 certificated instructional staff units for  
21 grades K-3 and an additional 7.2 certificated instructional staff units  
22 for grade 4. Any funds allocated for the additional certificated units  
23 provided in this subsection (iv) shall not be considered as basic  
24 education funding;

25 (v) For the 2001-02 school year, for class size reduction and  
26 expanded learning opportunities under the better schools program, an  
27 additional 2.2 certificated instructional staff units for grades K-4  
28 per thousand full-time equivalent students. Funds allocated for these  
29 additional certificated units shall not be considered as basic  
30 education funding. The allocation may be used for reducing class sizes  
31 in grades K-4 or to provide additional classroom contact hours for  
32 kindergarten, before-and-after-school programs, weekend school  
33 programs, summer school programs, and intercession opportunities to  
34 assist elementary school students in meeting the essential academic  
35 learning requirements and student assessment performance standards.  
36 For purposes of this subsection, additional classroom contact hours  
37 provided by teachers beyond the normal school day under a supplemental  
38 contract shall be converted to a certificated full-time equivalent by  
39 dividing the classroom contact hours by 900.

1 (A) Funds provided under this subsection (2)(a)(iv) and (v) in  
2 excess of the amount required to maintain the statutory minimum ratio  
3 established under RCW 28A.150.260(2)(b) shall be allocated only if the  
4 district documents an actual ratio in grades K-4 equal to or greater  
5 than 55.4 certificated instructional staff per thousand full-time  
6 equivalent students (~~((in grades K-4))~~) in the 2001-02 school year and  
7 53.2 certificated instructional staff per thousand full-time equivalent  
8 students in the 2002-03 school year. For any school district  
9 documenting a lower certificated instructional staff ratio, the  
10 allocation shall be based on the district's actual grades K-4  
11 certificated instructional staff ratio achieved in that school year, or  
12 the statutory minimum ratio established under RCW 28A.150.260(2)(b), if  
13 greater;

14 (B) Districts at or above 51.0 certificated instructional staff per  
15 one thousand full-time equivalent students in grades K-4 may dedicate  
16 up to 1.3 of the 55.4 funding ratio in the 2001-02 school year, and up  
17 to 1.3 of the 53.2 funding ratio in the 2002-03 school year, to employ  
18 additional classified instructional assistants assigned to basic  
19 education classrooms in grades K-4. For purposes of documenting a  
20 district's staff ratio under this section, funds used by the district  
21 to employ additional classified instructional assistants shall be  
22 converted to a certificated staff equivalent and added to the  
23 district's actual certificated instructional staff ratio. Additional  
24 classified instructional assistants, for the purposes of this  
25 subsection, shall be determined using the 1989-90 school year as the  
26 base year;

27 (C) Any district maintaining a ratio in grades K-4 equal to or  
28 greater than 55.4 certificated instructional staff per thousand full-  
29 time equivalent students in (~~((grades K-4))~~) the 2001-02 school year, and  
30 a ratio equal to or greater than 53.2 certificated instructional staff  
31 per thousand full-time equivalent students in the 2002-03 school year,  
32 may use allocations generated under this subsection (2)(a)(iv) and (v)  
33 in excess of that required to maintain the minimum ratio established  
34 under RCW 28A.150.260(2)(b) to employ additional basic education  
35 certificated instructional staff or classified instructional assistants  
36 in grades 5-6. Funds allocated under this subsection (2)(a)(iv) and  
37 (v) shall only be expended to reduce class size in grades K-6. No more  
38 than 1.3 of the certificated instructional funding ratio amount may be  
39 expended for provision of classified instructional assistants;

1 (b) For school districts with a minimum enrollment of 250 full-time  
2 equivalent students whose full-time equivalent student enrollment count  
3 in a given month exceeds the first of the month full-time equivalent  
4 enrollment count by 5 percent, an additional state allocation of 110  
5 percent of the share that such increased enrollment would have  
6 generated had such additional full-time equivalent students been  
7 included in the normal enrollment count for that particular month;

8 (c)(i) On the basis of full-time equivalent enrollment in:

9 (A) Vocational education programs approved by the superintendent of  
10 public instruction, a maximum of 0.92 certificated instructional staff  
11 units and 0.08 certificated administrative staff units for each 19.5  
12 full-time equivalent vocational students; and

13 (B) Skills center programs meeting the standards for skills center  
14 funding established in January 1999 by the superintendent of public  
15 instruction, 0.92 certificated instructional staff units and 0.08  
16 certificated administrative units for each 16.67 full-time equivalent  
17 vocational students; ((and))

18 (ii) Vocational full-time equivalent enrollment shall be reported  
19 on the same monthly basis as the enrollment for students eligible for  
20 basic support, and payments shall be adjusted for reported vocational  
21 enrollments on the same monthly basis as those adjustments for  
22 enrollment for students eligible for basic support; and

23 (iii) Indirect cost charges by a school district to vocational-  
24 secondary programs shall not exceed 15 percent of the combined basic  
25 education and vocational enhancement allocations of state funds;

26 (d) For districts enrolling not more than twenty-five average  
27 annual full-time equivalent students in grades K-8, and for small  
28 school plants within any school district which have been judged to be  
29 remote and necessary by the state board of education and enroll not  
30 more than twenty-five average annual full-time equivalent students in  
31 grades K-8:

32 (i) For those enrolling no students in grades 7 and 8, 1.76  
33 certificated instructional staff units and 0.24 certificated  
34 administrative staff units for enrollment of not more than five  
35 students, plus one-twentieth of a certificated instructional staff unit  
36 for each additional student enrolled; and

37 (ii) For those enrolling students in grades 7 or 8, 1.68  
38 certificated instructional staff units and 0.32 certificated  
39 administrative staff units for enrollment of not more than five

1 students, plus one-tenth of a certificated instructional staff unit for  
2 each additional student enrolled;

3 (e) For specified enrollments in districts enrolling more than  
4 twenty-five but not more than one hundred average annual full-time  
5 equivalent students in grades K-8, and for small school plants within  
6 any school district which enroll more than twenty-five average annual  
7 full-time equivalent students in grades K-8 and have been judged to be  
8 remote and necessary by the state board of education:

9 (i) For enrollment of up to sixty annual average full-time  
10 equivalent students in grades K-6, 2.76 certificated instructional  
11 staff units and 0.24 certificated administrative staff units; and

12 (ii) For enrollment of up to twenty annual average full-time  
13 equivalent students in grades 7 and 8, 0.92 certificated instructional  
14 staff units and 0.08 certificated administrative staff units;

15 (f) For districts operating no more than two high schools with  
16 enrollments of less than three hundred average annual full-time  
17 equivalent students, for enrollment in grades 9-12 in each such school,  
18 other than alternative schools:

19 (i) For remote and necessary schools enrolling students in any  
20 grades 9-12 but no more than twenty-five average annual full-time  
21 equivalent students in grades K-12, four and one-half certificated  
22 instructional staff units and one-quarter of a certificated  
23 administrative staff unit;

24 (ii) For all other small high schools under this subsection, nine  
25 certificated instructional staff units and one-half of a certificated  
26 administrative staff unit for the first sixty average annual full time  
27 equivalent students, and additional staff units based on a ratio of  
28 0.8732 certificated instructional staff units and 0.1268 certificated  
29 administrative staff units per each additional forty-three and one-half  
30 average annual full time equivalent students.

31 Units calculated under (f)(ii) of this subsection shall be reduced  
32 by certificated staff units at the rate of forty-six certificated  
33 instructional staff units and four certificated administrative staff  
34 units per thousand vocational full-time equivalent students.

35 (g) For each nonhigh school district having an enrollment of more  
36 than seventy annual average full-time equivalent students and less than  
37 one hundred eighty students, operating a grades K-8 program or a grades  
38 1-8 program, an additional one-half of a certificated instructional  
39 staff unit; and

1 (h) For each nonhigh school district having an enrollment of more  
2 than fifty annual average full-time equivalent students and less than  
3 one hundred eighty students, operating a grades K-6 program or a grades  
4 1-6 program, an additional one-half of a certificated instructional  
5 staff unit.

6 (3) Allocations for classified salaries for the 2001-02 and 2002-03  
7 school years shall be calculated using formula-generated classified  
8 staff units determined as follows:

9 (a) For enrollments generating certificated staff unit allocations  
10 under subsection (2)(d) through (h) of this section, one classified  
11 staff unit for each three certificated staff units allocated under such  
12 subsections;

13 (b) For all other enrollment in grades K-12, including vocational  
14 full-time equivalent enrollments, one classified staff unit for each  
15 sixty average annual full-time equivalent students; and

16 (c) For each nonhigh school district with an enrollment of more  
17 than fifty annual average full-time equivalent students and less than  
18 one hundred eighty students, an additional one-half of a classified  
19 staff unit.

20 (4) Fringe benefit allocations shall be calculated at a rate of  
21 (~~(11.27)~~) 10.76 percent in the 2001-02 school year and (~~(11.27)~~) 9.57  
22 percent in the 2002-03 school year for certificated salary allocations  
23 provided under subsection (2) of this section, and a rate of (~~(12.92)~~)  
24 12.73 percent in the 2001-02 school year and (~~(12.92)~~) 12.36 percent in  
25 the 2002-03 school year for classified salary allocations provided  
26 under subsection (3) of this section.

27 (5) Insurance benefit allocations shall be calculated at the  
28 maintenance rate specified in section 504(3) of this act, based on the  
29 number of benefit units determined as follows:

30 (a) The number of certificated staff units determined in subsection  
31 (2) of this section; and

32 (b) The number of classified staff units determined in subsection  
33 (3) of this section multiplied by 1.152. This factor is intended to  
34 adjust allocations so that, for the purposes of distributing insurance  
35 benefits, full-time equivalent classified employees may be calculated  
36 on the basis of 1440 hours of work per year, with no individual  
37 employee counted as more than one full-time equivalent.

38 (6)(a) For nonemployee-related costs associated with each  
39 certificated staff unit allocated under subsection (2)(a), (b), and (d)

1 through (h) of this section, there shall be provided a maximum of  
2 \$8,519 per certificated staff unit in the 2001-02 school year and a  
3 maximum of (~~(\$8,715)~~) \$8,604 per certificated staff unit in the 2002-03  
4 school year.

5 (b) For nonemployee-related costs associated with each vocational  
6 certificated staff unit allocated under subsection (2)(c)(i)(A) of this  
7 section, there shall be provided a maximum of \$20,920 per certificated  
8 staff unit in the 2001-02 school year and a maximum of (~~(\$21,401)~~)  
9 \$21,129 per certificated staff unit in the 2002-03 school year.

10 (c) For nonemployee-related costs associated with each vocational  
11 certificated staff unit allocated under subsection (2)(c)(i)(B) of this  
12 section, there shall be provided a maximum of \$16,233 per certificated  
13 staff unit in the 2001-02 school year and a maximum of (~~(\$16,606)~~)  
14 \$16,395 per certificated staff unit in the 2002-03 school year.

15 (7) Allocations for substitute costs for classroom teachers shall  
16 be distributed at a maintenance rate of \$494.34 for the 2001-02 and  
17 2002-03 school years per allocated classroom teachers exclusive of  
18 salary increase amounts provided in section 504 of this act. Solely  
19 for the purposes of this subsection, allocated classroom teachers shall  
20 be equal to the number of certificated instructional staff units  
21 allocated under subsection (2) of this section, multiplied by the ratio  
22 between the number of actual basic education certificated teachers and  
23 the number of actual basic education certificated instructional staff  
24 reported statewide for the prior school year.

25 (8) Any school district board of directors may petition the  
26 superintendent of public instruction by submission of a resolution  
27 adopted in a public meeting to reduce or delay any portion of its basic  
28 education allocation for any school year. The superintendent of public  
29 instruction shall approve such reduction or delay if it does not impair  
30 the district's financial condition. Any delay shall not be for more  
31 than two school years. Any reduction or delay shall have no impact on  
32 levy authority pursuant to RCW 84.52.0531 and local effort assistance  
33 pursuant to chapter 28A.500 RCW.

34 (9) The superintendent may distribute a maximum of (~~(\$6,510,000)~~)  
35 \$4,404,000 outside the basic education formula during fiscal years 2002  
36 and 2003 as follows:

37 (a) For fire protection for school districts located in a fire  
38 protection district as now or hereafter established pursuant to chapter  
39 52.04 RCW, a maximum of \$480,000 may be expended in fiscal year 2002

1 and a maximum of (~~(\$491,000)~~) \$485,000 may be expended in fiscal year  
2 2003;

3 (b) For summer vocational programs at skills centers, a maximum of  
4 \$2,098,000 may be expended (~~(each)~~) in fiscal year 2002;

5 (c) A maximum of (~~(\$343,000)~~) \$341,000 may be expended for school  
6 district emergencies; and

7 (d) A maximum of \$500,000 per fiscal year may be expended for  
8 programs providing skills training for secondary students who are  
9 enrolled in extended day school-to-work programs, as approved by the  
10 superintendent of public instruction. The funds shall be allocated at  
11 a rate not to exceed \$500 per full-time equivalent student enrolled in  
12 those programs.

13 (10) For purposes of RCW 84.52.0531, the increase per full-time  
14 equivalent student in state basic education appropriations provided  
15 under this act, including appropriations for salary and benefits  
16 increases, is 2.5 percent from the 2000-01 school year to the 2001-02  
17 school year(~~(, and 3.3 percent from the 2000-01 school year to the~~  
18 ~~2002-03 school year))~~).

19 (11) For purposes of RCW 84.52.0531, the increase in appropriations  
20 per full-time equivalent student provided in this act, including  
21 appropriations for salary and benefits increases, is 2.9 percent from  
22 the 2001-02 school year to the 2002-03 school year.

23 (12) If two or more school districts consolidate and each district  
24 was receiving additional basic education formula staff units pursuant  
25 to subsection (2)(b) through (h) of this section, the following shall  
26 apply:

27 (a) For three school years following consolidation, the number of  
28 basic education formula staff units shall not be less than the number  
29 of basic education formula staff units received by the districts in the  
30 school year prior to the consolidation; and

31 (b) For the fourth through eighth school years following  
32 consolidation, the difference between the basic education formula staff  
33 units received by the districts for the school year prior to  
34 consolidation and the basic education formula staff units after  
35 consolidation pursuant to subsection (2)(a) through (h) of this section  
36 shall be reduced in increments of twenty percent per year.

37 **Sec. 503.** 2001 2nd sp.s. c 7 s 503 (uncodified) is amended to read  
38 as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**  
2 **COMPENSATION.** (1) The following calculations determine the salaries  
3 used in the general fund allocations for certificated instructional,  
4 certificated administrative, and classified staff units under section  
5 502 of this act:

6 (a) Salary allocations for certificated instructional staff units  
7 shall be determined for each district by multiplying the district's  
8 certificated instructional total base salary shown on LEAP Document 12E  
9 for the appropriate year, by the district's average staff mix factor  
10 for basic education and special education certificated instructional  
11 staff in that school year, computed using LEAP Document 1S; and

12 (b) Salary allocations for certificated administrative staff units  
13 and classified staff units for each district shall be based on the  
14 district's certificated administrative and classified salary allocation  
15 amounts shown on LEAP Document 12E for the appropriate year.

16 (2) For the purposes of this section:

17 (a) "Basic education certificated instructional staff" is defined  
18 as provided in RCW 28A.150.100 and "special education certificated  
19 staff" means staff assigned to the state-supported special education  
20 program pursuant to chapter 28A.155 RCW in positions requiring a  
21 certificate;

22 (b) "LEAP Document 1S" means the computerized tabulation  
23 establishing staff mix factors for certificated instructional staff  
24 according to education and years of experience, as developed by the  
25 legislative evaluation and accountability program committee on March  
26 25, 1999, at 16:55 hours; and

27 (c) "LEAP Document 12E" means the computerized tabulation of 2001-  
28 02 and 2002-03 school year salary allocations for certificated  
29 administrative staff and classified staff and derived and total base  
30 salaries for certificated instructional staff as developed by the  
31 legislative evaluation and accountability program committee on (~~March~~  
32 ~~13, 2001, at 16:32 hours~~) December 10, 2001, at 15:00 hours.

33 (3) Incremental fringe benefit factors shall be applied to salary  
34 adjustments at a rate of (~~10.63~~) 10.12 percent for (~~school years~~)  
35 the 2001-02 school year and 8.93 percent for the 2002-03 school year  
36 for certificated staff and (~~9.42~~) 9.23 percent for (~~school years~~)  
37 the 2001-02 school year and 8.86 percent for the 2002-03 school year  
38 for classified staff.



1 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary  
 2 allocation schedules for certificated instructional staff are  
 3 established for basic education salary allocations:

4 K-12 Salary Schedule for Certificated Instructional Staff  
 5 2001-02 School Year

6 Years of					
7 Service	BA	BA+15	BA+30	BA+45	BA+90
8 0	27,467	28,209	28,977	29,746	32,219
9 1	27,836	28,588	29,366	30,171	32,668
10 2	28,464	29,231	30,025	30,900	33,414
11 3	29,401	30,192	31,009	31,931	34,490
12 4	30,063	30,896	31,727	32,689	35,290
13 5	30,750	31,595	32,443	33,468	36,085
14 6	31,147	31,974	32,850	33,928	36,531
15 7	32,164	33,010	33,909	35,055	37,724
16 8	33,195	34,088	35,008	36,248	38,954
17 9		35,205	36,169	37,455	40,223
18 10			37,344	38,724	41,529
19 11				40,029	42,895
20 12				41,293	44,298
21 13					45,736
22 14					47,181
23 15					48,408
24 16 or more					49,376

25 Years of				MA+90
26 Service	BA+135	MA	MA+45	or PHD
27 0	33,811	32,931	35,403	36,996
28 1	34,252	33,297	35,793	37,377
29 2	35,030	33,995	36,509	38,124
30 3	36,177	35,027	37,585	39,273
31 4	37,007	35,755	38,355	40,072
32 5	37,853	36,503	39,121	40,889
33 6	38,308	36,904	39,508	41,285
34 7	39,569	38,031	40,700	42,546
35 8	40,867	39,225	41,930	43,843
36 9	42,201	40,430	43,200	45,177

1	10	43,572	41,700	44,505	46,549
2	11	44,979	43,005	45,872	47,956
3	12	46,446	44,362	47,275	49,422
4	13	47,947	45,766	48,712	50,923
5	14	49,505	47,212	50,251	52,481
6	15	50,792	48,439	51,557	53,846
7	16 or more	51,808	49,407	52,589	54,923

8 (~~K-12 Allocation Salary Schedule For Certificated Instructional Staff~~  
9 ~~2002=03 School Year~~)

10 ~~Years of~~

11	<del>Service</del>	<del>BA</del>	<del>BA+15</del>	<del>BA+30</del>	<del>BA+45</del>	<del>BA+90</del>
12	<del>0</del>	<del>28,318</del>	<del>29,083</del>	<del>29,875</del>	<del>30,668</del>	<del>33,217</del>
13	<del>1</del>	<del>28,699</del>	<del>29,473</del>	<del>30,276</del>	<del>31,106</del>	<del>33,680</del>
14	<del>2</del>	<del>29,345</del>	<del>30,137</del>	<del>30,955</del>	<del>31,857</del>	<del>34,449</del>
15	<del>3</del>	<del>30,312</del>	<del>31,127</del>	<del>31,970</del>	<del>32,920</del>	<del>35,559</del>
16	<del>4</del>	<del>30,994</del>	<del>31,854</del>	<del>32,710</del>	<del>33,702</del>	<del>36,383</del>
17	<del>5</del>	<del>31,703</del>	<del>32,574</del>	<del>33,448</del>	<del>34,505</del>	<del>37,203</del>
18	<del>6</del>	<del>32,112</del>	<del>32,964</del>	<del>33,868</del>	<del>34,979</del>	<del>37,663</del>
19	<del>7</del>	<del>33,160</del>	<del>34,033</del>	<del>34,959</del>	<del>36,141</del>	<del>38,893</del>
20	<del>8</del>	<del>34,223</del>	<del>35,145</del>	<del>36,092</del>	<del>37,372</del>	<del>40,161</del>
21	<del>9</del>		<del>36,295</del>	<del>37,289</del>	<del>38,616</del>	<del>41,470</del>
22	<del>10</del>			<del>38,501</del>	<del>39,923</del>	<del>42,815</del>
23	<del>11</del>				<del>41,269</del>	<del>44,225</del>
24	<del>12</del>				<del>42,572</del>	<del>45,671</del>
25	<del>13</del>					<del>47,153</del>
26	<del>14</del>					<del>48,642</del>
27	<del>15</del>					<del>49,907</del>
28	<del>16 or more</del>					<del>50,906</del>

29 ~~Years of~~ ~~MA+90~~

30	<del>Service</del>	<del>BA+135</del>	<del>MA</del>	<del>MA+45</del>	<del>or PHD</del>
31	<del>0</del>	<del>34,859</del>	<del>33,951</del>	<del>36,500</del>	<del>38,142</del>
32	<del>1</del>	<del>35,313</del>	<del>34,328</del>	<del>36,902</del>	<del>38,535</del>
33	<del>2</del>	<del>36,116</del>	<del>35,048</del>	<del>37,640</del>	<del>39,305</del>
34	<del>3</del>	<del>37,298</del>	<del>36,112</del>	<del>38,750</del>	<del>40,490</del>
35	<del>4</del>	<del>38,153</del>	<del>36,863</del>	<del>39,544</del>	<del>41,314</del>
36	<del>5</del>	<del>39,026</del>	<del>37,634</del>	<del>40,333</del>	<del>42,156</del>

1	<del>6</del>	<del>39,495</del>	<del>38,047</del>	<del>40,732</del>	<del>42,564</del>
2	<del>7</del>	<del>40,795</del>	<del>39,210</del>	<del>41,961</del>	<del>43,864</del>
3	<del>8</del>	<del>42,133</del>	<del>40,440</del>	<del>43,229</del>	<del>45,201</del>
4	<del>9</del>	<del>43,509</del>	<del>41,683</del>	<del>44,538</del>	<del>46,577</del>
5	<del>10</del>	<del>44,922</del>	<del>42,992</del>	<del>45,884</del>	<del>47,991</del>
6	<del>11</del>	<del>46,373</del>	<del>44,337</del>	<del>47,293</del>	<del>49,442</del>
7	<del>12</del>	<del>47,885</del>	<del>45,736</del>	<del>48,739</del>	<del>50,953</del>
8	<del>13</del>	<del>49,432</del>	<del>47,184</del>	<del>50,221</del>	<del>52,501</del>
9	<del>14</del>	<del>51,039</del>	<del>48,675</del>	<del>51,808</del>	<del>54,107</del>
10	<del>15</del>	<del>52,366</del>	<del>49,940</del>	<del>53,155</del>	<del>55,514</del>
11	<del>16 or more</del>	<del>53,413</del>	<del>50,938</del>	<del>54,218</del>	<del>56,624</del> ) )

12 K-12 Salary Allocation Schedule For Certificated Instructional Staff  
13 2002-03 School Year

14 Years of

15 <u>Service</u>	<u>BA</u>	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>
16 <u>0</u>	<u>28,456</u>	<u>29,224</u>	<u>30,020</u>	<u>30,818</u>	<u>33,379</u>
17 <u>1</u>	<u>28,838</u>	<u>29,617</u>	<u>30,424</u>	<u>31,258</u>	<u>33,844</u>
18 <u>2</u>	<u>29,488</u>	<u>30,283</u>	<u>31,106</u>	<u>32,012</u>	<u>34,617</u>
19 <u>3</u>	<u>30,460</u>	<u>31,279</u>	<u>32,126</u>	<u>33,081</u>	<u>35,732</u>
20 <u>4</u>	<u>31,145</u>	<u>32,009</u>	<u>32,870</u>	<u>33,866</u>	<u>36,561</u>
21 <u>5</u>	<u>31,857</u>	<u>32,733</u>	<u>33,611</u>	<u>34,673</u>	<u>37,384</u>
22 <u>6</u>	<u>32,268</u>	<u>33,125</u>	<u>34,033</u>	<u>35,149</u>	<u>37,847</u>
23 <u>7</u>	<u>33,322</u>	<u>34,199</u>	<u>35,130</u>	<u>36,317</u>	<u>39,082</u>
24 <u>8</u>	<u>34,390</u>	<u>35,316</u>	<u>36,268</u>	<u>37,554</u>	<u>40,357</u>
25 <u>9</u>		<u>36,472</u>	<u>37,471</u>	<u>38,804</u>	<u>41,672</u>
26 <u>10</u>			<u>38,689</u>	<u>40,118</u>	<u>43,024</u>
27 <u>11</u>				<u>41,470</u>	<u>44,440</u>
28 <u>12</u>				<u>42,780</u>	<u>45,893</u>
29 <u>13</u>					<u>47,382</u>
30 <u>14</u>					<u>48,879</u>
31 <u>15</u>					<u>50,151</u>
32 <u>16 or more</u>					<u>51,154</u>

33 Years of

34 <u>Service</u>	<u>BA+135</u>	<u>MA</u>	<u>MA+45</u>	<u>MA+90</u> <u>or PHD</u>
35 <u>0</u>	<u>35,028</u>	<u>34,116</u>	<u>36,678</u>	<u>38,328</u>
36 <u>1</u>	<u>35,485</u>	<u>34,496</u>	<u>37,082</u>	<u>38,723</u>

1	<u>2</u>	<u>36,292</u>	<u>35,219</u>	<u>37,823</u>	<u>39,497</u>
2	<u>3</u>	<u>37,479</u>	<u>36,288</u>	<u>38,938</u>	<u>40,687</u>
3	<u>4</u>	<u>38,339</u>	<u>37,043</u>	<u>39,737</u>	<u>41,515</u>
4	<u>5</u>	<u>39,216</u>	<u>37,818</u>	<u>40,529</u>	<u>42,361</u>
5	<u>6</u>	<u>39,688</u>	<u>38,233</u>	<u>40,930</u>	<u>42,771</u>
6	<u>7</u>	<u>40,994</u>	<u>39,401</u>	<u>42,166</u>	<u>44,077</u>
7	<u>8</u>	<u>42,338</u>	<u>40,637</u>	<u>43,440</u>	<u>45,421</u>
8	<u>9</u>	<u>43,721</u>	<u>41,886</u>	<u>44,755</u>	<u>46,804</u>
9	<u>10</u>	<u>45,141</u>	<u>43,201</u>	<u>46,108</u>	<u>48,225</u>
10	<u>11</u>	<u>46,599</u>	<u>44,554</u>	<u>47,524</u>	<u>49,682</u>
11	<u>12</u>	<u>48,118</u>	<u>45,959</u>	<u>48,977</u>	<u>51,201</u>
12	<u>13</u>	<u>49,673</u>	<u>47,414</u>	<u>50,466</u>	<u>52,757</u>
13	<u>14</u>	<u>51,287</u>	<u>48,912</u>	<u>52,060</u>	<u>54,371</u>
14	<u>15</u>	<u>52,621</u>	<u>50,183</u>	<u>53,414</u>	<u>55,785</u>
15	<u>16 or more</u>	<u>53,673</u>	<u>51,186</u>	<u>54,482</u>	<u>56,900</u>

16 (b) As used in this subsection, the column headings "BA+(N)" refer  
17 to the number of credits earned since receiving the baccalaureate  
18 degree.

19 (c) For credits earned after the baccalaureate degree but before  
20 the masters degree, any credits in excess of forty-five credits may be  
21 counted after the masters degree. Thus, as used in this subsection,  
22 the column headings "MA+(N)" refer to the total of:

- 23 (i) Credits earned since receiving the masters degree; and
- 24 (ii) Any credits in excess of forty-five credits that were earned  
25 after the baccalaureate degree but before the masters degree.

26 (5) For the purposes of this section:

- 27 (a) "BA" means a baccalaureate degree.
- 28 (b) "MA" means a masters degree.
- 29 (c) "PHD" means a doctorate degree.
- 30 (d) "Years of service" shall be calculated under the same rules  
31 adopted by the superintendent of public instruction.

32 (e) "Credits" means college quarter hour credits and equivalent in-  
33 service credits computed in accordance with RCW 28A.415.020 and  
34 28A.415.023.

35 (6) No more than ninety college quarter-hour credits received by  
36 any employee after the baccalaureate degree may be used to determine  
37 compensation allocations under the state salary allocation schedule and

1 LEAP documents referenced in this act, or any replacement schedules and  
2 documents, unless:

- 3 (a) The employee has a masters degree; or
- 4 (b) The credits were used in generating state salary allocations  
5 before January 1, 1992.

6 (7) The certificated instructional staff base salary specified for  
7 each district in LEAP Document 12E and the salary schedules in  
8 subsection (4)(a) of this section include three learning improvement  
9 days originally added in the 1999-00 school year. A school district is  
10 eligible for the learning improvement day funds for school years 2001-  
11 02 and 2002-03, only if three learning improvement days have been added  
12 to the 180-day contract year. If fewer than three days are added, the  
13 additional learning improvement allocation shall be adjusted  
14 accordingly. The additional days shall be for activities related to  
15 improving student learning consistent with education reform  
16 implementation. The length of a learning improvement day shall not be  
17 less than the length of a full day under the base contract. The  
18 superintendent of public instruction shall ensure that school districts  
19 adhere to the intent and purposes of this subsection.

20 (8) The salary allocation schedules established in this section are  
21 for allocation purposes only except as provided in RCW 28A.400.200(2).

22 **Sec. 504.** 2001 2nd sp.s. c 7 s 504 (uncodified) is amended to read  
23 as follows:

24 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**  
25 **COMPENSATION ADJUSTMENTS**

26	General Fund--State Appropriation (FY 2002) . . . \$	<del>((124,130,000))</del>
27		<u>124,903,000</u>
28	General Fund--State Appropriation (FY 2003) . . . \$	<del>((274,529,000))</del>
29		<u>257,207,000</u>
30	TOTAL APPROPRIATION . . . . . \$	<del>((398,659,000))</del>
31		<u>382,110,000</u>

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

- 34 (1) ~~((\$318,024,000))~~ \$330,517,000 is provided for a cost of living  
35 adjustment for state formula staff units of 3.7 percent effective  
36 September 1, 2001, and ~~((another salary adjustment))~~ 3.6 percent  
37 effective ~~((on))~~ September 1, 2002, ~~((in a percentage amount to be~~

1 ~~determined by the 2002 legislature~~) consistent with the provisions of  
 2 chapter 4, Laws of 2001 (Initiative Measure No. 732). The  
 3 appropriations include associated incremental fringe benefit  
 4 allocations at rates of (~~10.63~~) 10.12 percent for (~~school years~~)  
 5 the 2001-02 school year and 8.93 percent for the 2002-03 school year  
 6 for certificated staff, and (~~9.42~~) 9.23 percent for (~~school years~~)  
 7 the 2001-02 school year and 8.86 percent for the 2002-03 school year  
 8 for classified staff.

9 (a) The appropriations in this section include the increased  
 10 portion of salaries and incremental fringe benefits for all relevant  
 11 state-funded school programs in part V of this act, in accordance with  
 12 chapter 4, Laws of 2001 (Initiative Measure No. 732). Salary  
 13 adjustments for state employees in the office of superintendent of  
 14 public instruction and the education reform program are provided in  
 15 part VII of this act. Increases for general apportionment (basic  
 16 education) are based on the salary allocation schedules and methodology  
 17 in section 502 of this act. Increases for special education result  
 18 from increases in each district's basic education allocation per  
 19 student. Increases for educational service districts and institutional  
 20 education programs are determined by the superintendent of public  
 21 instruction using the methodology for general apportionment salaries  
 22 and benefits in section 502 of this act.

23 (b) The appropriations in this section provide cost-of-living and  
 24 incremental fringe benefit allocations based on formula adjustments as  
 25 follows:

		School Year	
		2001-02	2002-03
28 Pupil Transportation (per weighted pupil mile)	\$ 0.77	\$ ( <del>1.44</del> )	<u>1.54</u>
29			
30 Highly Capable (per formula student)	\$ ( <del>8.75</del> )	\$ ( <del>16.35</del> )	<u>17.31</u>
31		<u>8.71</u>	<u>17.31</u>
32 Transitional Bilingual Education (per eligible			
33 bilingual student)	\$ ( <del>22.73</del> )	\$ ( <del>42.48</del> )	<u>44.97</u>
34		<u>22.63</u>	<u>44.97</u>
35 Learning Assistance (per entitlement unit)	\$ ( <del>11.23</del> )	\$ ( <del>20.99</del> )	<u>22.32</u>
36		<u>11.19</u>	<u>22.32</u>
37 Substitute Teacher (allocation per teacher,			
38 section 502(7))	\$ 18.29	\$ ( <del>34.18</del> )	

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(2) This act appropriates general fund--state funds for the purpose of providing the annual salary cost-of-living increase required by section 2, chapter 4, Laws of 2001 (Initiative Measure No. 732) for teachers and other school district employees in the state-funded salary base. For employees not included in the state-funded salary base, the annual salary cost-of-living increase may be provided by school districts from the federal funds appropriated in this act and local revenues, including the adjusted levy base as provided in RCW 84.52.053 and section 502 of this act, and state discretionary funds provided under this act.

(3) (~~(\$80,635,000)~~) \$51,593,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$427.73 per month for the 2001-02 and 2002-03 school years. The appropriations in this section provide for a rate increase to \$455.27 per month for the 2001-02 school year and (~~(\$493.59)~~) \$457.07 per month for the 2002-03 school year at the following rates:

	School Year	
	2001-02	2002-03
Pupil Transportation (per weighted pupil mile) \$	0.25	\$ ( <del>0.60</del> )
		<u>0.27</u>
Highly Capable (per formula student) \$	1.74	\$ ( <del>4.18</del> )
		<u>1.86</u>
Transitional Bilingual Education (per eligible bilingual student) \$	4.46	\$ ( <del>10.66</del> )
		<u>4.75</u>
Learning Assistance (per entitlement unit) \$	3.51	\$ ( <del>8.38</del> )
		<u>3.73</u>

(4) The rates specified in this section are subject to revision each year by the legislature.

**Sec. 505.** 2001 2nd sp.s. c 7 s 505 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**  
General Fund--State Appropriation (FY 2002) . . \$ (~~193,198,000~~)  
192,402,000

1	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>194,293,000</del> ))
2		<u>193,317,000</u>
3	TOTAL APPROPRIATION . . . . . \$	(( <del>387,491,000</del> ))
4		<u>385,719,000</u>

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

7 (1) Each general fund fiscal year appropriation includes such funds  
8 as are necessary to complete the school year ending in the fiscal year  
9 and for prior fiscal year adjustments.

10 (2) A maximum of \$767,000 of this fiscal year 2002 appropriation  
11 and a maximum of ((~~\$785,000~~)) \$775,000 of the fiscal year 2003  
12 appropriation may be expended for regional transportation coordinators  
13 and related activities. The transportation coordinators shall ensure  
14 that data submitted by school districts for state transportation  
15 funding shall, to the greatest extent practical, reflect the actual  
16 transportation activity of each district.

17 (3) ((~~\$15,000~~)) \$5,000 of the fiscal year 2002 appropriation and  
18 ((~~\$20,000~~)) \$5,000 of the fiscal year 2003 appropriation are provided  
19 solely for the transportation of students enrolled in "choice"  
20 programs. Transportation shall be limited to low-income students who  
21 are transferring to "choice" programs solely for educational reasons.

22 (4) Allocations for transportation of students shall be based on  
23 reimbursement rates of ((~~\$37.11~~)) \$37.07 per weighted mile in the 2001-  
24 02 school year and ((~~\$37.38~~)) \$37.12 per weighted mile in the 2002-03  
25 school year exclusive of salary and benefit adjustments provided in  
26 section 504 of this act. Allocations for transportation of students  
27 transported more than one radius mile shall be based on weighted miles  
28 as determined by superintendent of public instruction multiplied by the  
29 per mile reimbursement rates for the school year pursuant to the  
30 formulas adopted by the superintendent of public instruction.  
31 Allocations for transportation of students living within one radius  
32 mile shall be based on the number of enrolled students in grades  
33 kindergarten through five living within one radius mile of their  
34 assigned school multiplied by the per mile reimbursement rate for the  
35 school year multiplied by 1.29.

36 **Sec. 506.** 2001 2nd sp.s. c 7 s 507 (uncodified) is amended to read  
37 as follows:



1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**  
2 **PROGRAMS**

3	General Fund--State Appropriation (FY 2002) . . . \$	<del>((419,264,000))</del>
4		<u>421,065,000</u>
5	General Fund--State Appropriation (FY 2003) . . . \$	<del>((420,644,000))</del>
6		<u>412,668,000</u>
7	General Fund--Federal Appropriation . . . . . \$	256,092,000
8	TOTAL APPROPRIATION . . . . . \$	<del>((1,096,000,000))</del>
9		<u>1,089,825,000</u>

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

12 (1) Funding for special education programs is provided on an excess  
13 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
14 that special education students as a class receive their full share of  
15 the general apportionment allocation accruing through sections 502 and  
16 504 of this act. To the extent a school district cannot provide an  
17 appropriate education for special education students under chapter  
18 28A.155 RCW through the general apportionment allocation, it shall  
19 provide services through the special education excess cost allocation  
20 funded in this section.

21 (2)(a) Effective with the 2001-02 school year, the superintendent  
22 of public instruction shall change the S-275 personnel reporting system  
23 and all related accounting requirements to ensure that:

- 24 (i) Special education students are basic education students first;
- 25 (ii) As a class, special education students are entitled to the  
26 full basic education allocation; and
- 27 (iii) Special education students are basic education students for  
28 the entire school day.

29 (b) Effective with the 2001-02 school year, the S-275 and  
30 accounting changes shall supercede any prior excess cost methodologies  
31 and shall be required of all school districts.

32 (3) Each general fund--state fiscal year appropriation includes  
33 such funds as are necessary to complete the school year ending in the  
34 fiscal year and for prior fiscal year adjustments.

35 (4) The superintendent of public instruction shall distribute state  
36 funds to school districts based on two categories: The optional birth  
37 through age two program for special education eligible developmentally  
38 delayed infants and toddlers, and the mandatory special education

1 program for special education eligible students ages three to twenty-  
2 one. A "special education eligible student" means a student receiving  
3 specially designed instruction in accordance with a properly formulated  
4 individualized education program.

5 (5)(a) For the 2001-02 and 2002-03 school years, the superintendent  
6 shall distribute state funds to each district based on the sum of:

7 (i) A district's annual average headcount enrollment of  
8 developmentally delayed infants and toddlers ages birth through two,  
9 multiplied by the district's average basic education allocation per  
10 full-time equivalent student, multiplied by 1.15; and

11 (ii) A district's annual average full-time equivalent basic  
12 education enrollment multiplied by the funded enrollment percent  
13 determined pursuant to subsection (6)(b) of this section, multiplied by  
14 the district's average basic education allocation per full-time  
15 equivalent student multiplied by 0.9309.

16 (b) For purposes of this subsection, "average basic education  
17 allocation per full-time equivalent student" for a district shall be  
18 based on the staffing ratios required by RCW 28A.150.260 and shall not  
19 include enhancements, secondary vocational education, or small schools.

20 (6) The definitions in this subsection apply throughout this  
21 section.

22 (a) "Annual average full-time equivalent basic education  
23 enrollment" means the resident enrollment including students enrolled  
24 through choice (RCW 28A.225.225) and students from nonhigh districts  
25 (RCW 28A.225.210) and excluding students residing in another district  
26 enrolled as part of an interdistrict cooperative program (RCW  
27 28A.225.250).

28 (b) "Enrollment percent" means the district's resident special  
29 education annual average enrollment, excluding the birth through age  
30 two enrollment, as a percent of the district's annual average full-time  
31 equivalent basic education enrollment. For the 2001-02 and the 2002-03  
32 school years, each district's funded enrollment percent shall be the  
33 lesser of the district's actual enrollment percent for the school year  
34 for which the allocation is being determined or 12.7 percent for the  
35 2001-02 (~~(school year or 13.0 percent for the)~~) and 2002-03 school  
36 (~~(year)~~) years.

37 (7) At the request of any interdistrict cooperative of at least 15  
38 districts in which all excess cost services for special education  
39 students of the districts are provided by the cooperative, the maximum

1 enrollment percent shall be 12.7 percent for the 2001-02 (~~school~~  
2 ~~year~~) and (~~13.0 percent for the~~) 2002-03 school (~~year~~) years, and  
3 shall be calculated in the aggregate rather than individual district  
4 units. For purposes of this subsection, the average basic education  
5 allocation per full-time equivalent student shall be calculated in the  
6 aggregate rather than individual district units.

7 (8) For fiscal year 2002, safety net funding shall be awarded by  
8 the state safety net committee subject to the following conditions and  
9 limitations:

10 (a) A maximum of (~~(\$12,000,000)~~) \$9,400,000 of the general fund--  
11 state appropriation for fiscal year 2002 (~~(and a maximum of \$10,623,000~~  
12 of the general fund--state appropriation for fiscal year 2003 are)) is  
13 provided as safety net funding for districts with demonstrated needs  
14 for state special education funding beyond the amounts provided in  
15 subsection (5) of this section(~~(. Safety net funding shall be awarded~~  
16 by the state safety net oversight committee.

17 ~~---(a))~~ and shall be awarded as follows:

18 (i) The safety net oversight committee shall first consider the  
19 needs of districts adversely affected by the 1995 change in the special  
20 education funding formula. Awards shall be based on the lesser of the  
21 amount required to maintain the 1994-95 state special education excess  
22 cost allocation to the school district in aggregate or on a dollar per  
23 funded student basis.

24 ~~((b))~~ (ii) The committee shall then consider unmet needs for  
25 districts that can convincingly demonstrate that all legitimate  
26 expenditures for special education exceed all available revenues from  
27 state funding formulas. In the determination of need, the committee  
28 shall also consider additional available revenues from federal and  
29 local sources. Differences in program costs attributable to district  
30 philosophy, service delivery choice, or accounting practices are not a  
31 legitimate basis for safety net awards.

32 ~~((c))~~ (b) To the extent necessary, \$2,750,000 of the general  
33 fund--federal appropriation shall be expended for safety net funding to  
34 meet the extraordinary needs of one or more individual special  
35 education students. If safety net awards to meet the extraordinary  
36 needs exceed \$2,750,000 of the general fund--federal appropriation, the  
37 superintendent shall expend all available federal discretionary funds  
38 necessary to meet this need. General fund--state funds shall not be  
39 expended for this purpose.

1 (9) For fiscal year 2003, safety net funding shall be awarded by  
2 the state safety net committee to districts with demonstrated needs for  
3 state special education funding beyond the amounts provided in  
4 subsection (5) of this section, subject to the following conditions and  
5 limitations:

6 (a) A maximum of \$1,100,000 of the general fund--state  
7 appropriation for fiscal year 2003 is provided for awards to districts  
8 adversely affected by the 1995 change in the special education funding  
9 formula. Awards shall be based on the lesser of the amount required to  
10 maintain the 1994-95 state special education excess cost allocation to  
11 the school district in aggregate or on a dollar per funded student  
12 basis.

13 (b) A maximum of \$13,650,000 of the general fund--federal  
14 appropriation shall be awarded to districts as follows:

15 (i) The committee shall consider unmet needs for districts that can  
16 convincingly demonstrate that all legitimate expenditures for special  
17 education exceed all available revenues from state funding formulas.  
18 In the determination of need, the committee shall also consider  
19 additional available revenues from federal and local sources.

20 (ii) The committee shall then consider the extraordinary high cost  
21 needs of one or more individual special education students.

22 (c) If safety net awards under (b) of this subsection (9) exceed  
23 \$13,650,000, the superintendent shall expend all available federal  
24 discretionary funds necessary to meet these needs. General fund--state  
25 funds shall not be expended for these purposes.

26 (d) Differences in program costs attributable to district  
27 philosophy, service delivery choice, or accounting practices are not a  
28 legitimate basis for safety net awards.

29 (10) For fiscal years 2002 and 2003:

30 (a) The maximum allowable indirect cost for calculating safety net  
31 eligibility may not exceed the federal restricted indirect cost rate  
32 for the district plus one percent.

33 ~~((d))~~ (b) Safety net awards shall be adjusted based on the  
34 percent of potential medicaid eligible students billed as calculated by  
35 the superintendent in accordance with chapter 318, Laws of 1999.

36 ~~((e))~~ (c) Safety net awards must be adjusted for any audit  
37 findings or exceptions related to special education funding.

38 ~~((f))~~ (d) The superintendent may expend up to \$120,000 per year  
39 of the amounts provided in this subsection to provide staff assistance

1 to the committee in analyzing applications for safety net funds  
2 received by the committee.

3 ~~((9))~~ (11) The superintendent of public instruction may adopt  
4 such rules and procedures as are necessary to administer the special  
5 education funding and safety net award process. Prior to revising any  
6 standards, procedures, or rules, the superintendent shall consult with  
7 the office of financial management and the fiscal committees of the  
8 legislature.

9 ~~((10))~~ (12) The safety net oversight committee appointed by the  
10 superintendent of public instruction shall consist of:

11 (a) One staff from the office of superintendent of public  
12 instruction;

13 (b) Staff of the office of the state auditor;

14 (c) Staff of the office of the financial management; and

15 (d) One or more representatives from school districts or  
16 educational service districts knowledgeable of special education  
17 programs and funding.

18 ~~((11) To the extent necessary, \$5,500,000 of the general fund--  
19 federal appropriation shall be expended for safety net funding to meet  
20 the extraordinary needs of one or more individual special education  
21 students. If safety net awards to meet the extraordinary needs exceed  
22 \$5,500,000 of the general fund--federal appropriation, the  
23 superintendent shall expend all available federal discretionary funds  
24 necessary to meet this need. General fund--state funds shall not be  
25 expended for this purpose.~~

26 ~~((12))~~ (13) A maximum of \$678,000 may be expended from the general  
27 fund--state appropriations to fund 5.43 full-time equivalent teachers  
28 and 2.1 full-time equivalent aides at children's orthopedic hospital  
29 and medical center. This amount is in lieu of money provided through  
30 the home and hospital allocation and the special education program.

31 ~~((13))~~ (14) \$1,000,000 of the general fund--federal appropriation  
32 is provided for projects to provide special education students with  
33 appropriate job and independent living skills, including work  
34 experience where possible, to facilitate their successful transition  
35 out of the public school system. The funds provided by this subsection  
36 shall be from federal discretionary grants.

37 ~~((14))~~ (15) The superintendent shall maintain the percentage of  
38 federal flow-through to school districts at 85 percent for the 2001-02  
39 school year. For the 2002-03 school year, the superintendent shall

1 allocate federal funds as specified in this section and shall adjust  
 2 federal flow through accordingly. In addition to other purposes,  
 3 school districts may use increased federal funds for high-cost  
 4 students, for purchasing regional special education services from  
 5 educational service districts, and for staff development activities  
 6 particularly relating to inclusion issues.

7 ~~((+15))~~ (16) A maximum of \$1,200,000 of the general fund--federal  
 8 appropriation may be expended by the superintendent for projects  
 9 related to use of inclusion strategies by school districts for  
 10 provision of special education services. The superintendent shall  
 11 prepare an information database on laws, best practices, examples of  
 12 programs, and recommended resources. The information may be  
 13 disseminated in a variety of ways, including workshops and other staff  
 14 development activities.

15 ~~((+16))~~ (17) A school district may carry over from one year to the  
 16 next year up to 10 percent of general fund--state funds allocated under  
 17 this program; however, carry over funds shall be expended in the  
 18 special education program.

19 **Sec. 507.** 2001 2nd sp.s. c 7 s 508 (uncodified) is amended to read  
 20 as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY**  
 22 **EDUCATION PROGRAMS**

23	General Fund--State Appropriation (FY 2002) . . . \$	<del>((3,595,000))</del>
24		<u>3,765,000</u>
25	General Fund--State Appropriation (FY 2003) . . . \$	<del>((2,588,000))</del>
26		<u>765,000</u>
27	TOTAL APPROPRIATION . . . . . \$	<del>((6,183,000))</del>
28		<u>4,530,000</u>

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

31 (1) The appropriations include such funds as are necessary to  
 32 complete the school year ending in each fiscal year and for prior  
 33 fiscal year adjustments.

34 (2) A maximum of \$253,000 of the fiscal year 2002 general fund  
 35 appropriation and a maximum of \$254,000 of the fiscal year 2003 general  
 36 fund appropriation may be expended for regional traffic safety  
 37 education coordinators.

1 (3) Allocations to provide tuition assistance for students eligible  
2 for free and reduced price lunch who complete the program shall be a  
3 maximum of \$203.97 per eligible student in the 2001-02 (~~and 2002-03~~)  
4 school (~~years~~) year.

5 **Sec. 508.** 2001 2nd sp.s. c 7 s 509 (uncodified) is amended to read  
6 as follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**  
8 **DISTRICTS**

9	General Fund--State Appropriation (FY 2002) . . . \$	(( <del>4,768,000</del> ))
10		<u>4,757,000</u>
11	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>4,768,000</del> ))
12		<u>4,732,000</u>
13	TOTAL APPROPRIATION . . . . . \$	(( <del>9,536,000</del> ))
14		<u>9,489,000</u>

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

17 (1) The educational service districts shall continue to furnish  
18 financial services required by the superintendent of public instruction  
19 and RCW 28A.310.190 (3) and (4).

20 (2) \$250,000 of the general fund appropriation for fiscal year 2000  
21 and \$250,000 of the general fund appropriation for fiscal year 2001 are  
22 provided solely for student teaching centers as provided in RCW  
23 28A.415.100.

24 (3) A maximum of \$250,000 of the fiscal year 2002 general fund  
25 appropriation and a maximum of \$250,000 of the fiscal year 2003 general  
26 fund appropriation are provided for centers for the improvement of  
27 teaching pursuant to RCW 28A.415.010.

28 **Sec. 509.** 2001 2nd sp.s. c 7 s 510 (uncodified) is amended to read  
29 as follows:

30 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**  
31 **ASSISTANCE**

32	General Fund--State Appropriation (FY 2002) . . . \$	(( <del>136,315,000</del> ))
33		<u>140,932,000</u>
34	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>148,329,000</del> ))
35		<u>154,931,000</u>
36	TOTAL APPROPRIATION . . . . . \$	(( <del>284,644,000</del> ))

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

Calendar year 2003 local effort assistance calculations under chapter 28A.500 RCW shall be adjusted by multiplying allocations and maximum eligibility for each district by 0.99 as authorized by House Bill No. 3011.

Sec. 510. 2001 2nd sp.s. c 7 s 511 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2002), General Fund--State Appropriation (FY 2003), General Fund--Federal Appropriation, and TOTAL APPROPRIATION.

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

(1) Each general fund--state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$141,000 of the general fund--state appropriation for fiscal year 2002 and \$139,000 of the general fund--state appropriation for



1 fiscal year 2003 are provided solely to maintain at least one  
 2 certificated instructional staff and related support services at an  
 3 institution whenever the K-12 enrollment is not sufficient to support  
 4 one full-time equivalent certificated instructional staff to furnish  
 5 the educational program. The following types of institutions are  
 6 included: Residential programs under the department of social and  
 7 health services for developmentally disabled juveniles, programs for  
 8 juveniles under the department of corrections, and programs for  
 9 juveniles under the juvenile rehabilitation administration.

10 (6) Ten percent of the funds allocated for each institution may be  
 11 carried over from one year to the next.

12 **Sec. 511.** 2001 2nd sp.s. c 7 s 512 (uncodified) is amended to read  
 13 as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**  
 15 **CAPABLE STUDENTS**

16	General Fund--State Appropriation (FY 2002) . . . \$	((6,443,000))
17		<u>6,470,000</u>
18	General Fund--State Appropriation (FY 2003) . . . \$	((6,397,000))
19		<u>6,413,000</u>
20	TOTAL APPROPRIATION . . . . . \$	((12,840,000))
21		<u>12,883,000</u>

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

24 (1) Each general fund fiscal year appropriation includes such funds  
 25 as are necessary to complete the school year ending in the fiscal year  
 26 and for prior fiscal year adjustments.

27 (2) Allocations for school district programs for highly capable  
 28 students shall be distributed at a maximum rate of ((~~\$328.10~~)) \$327.22  
 29 per funded student for the 2001-02 school year and ((~~\$328.05~~)) \$324.72  
 30 per funded student for the 2002-03 school year, exclusive of salary and  
 31 benefit adjustments pursuant to section 504 of this act. The number of  
 32 funded students shall be a maximum of two percent of each district's  
 33 full-time equivalent basic education enrollment.

34 (3) \$175,000 of the fiscal year 2002 appropriation and \$175,000 of  
 35 the fiscal year 2003 appropriation are provided for the centrum program  
 36 at Fort Worden state park.

1 (4) \$93,000 of the fiscal year 2002 appropriation and \$93,000 of  
2 the fiscal year 2003 appropriation are provided for the Washington  
3 imagination network and future problem-solving programs.

4 **Sec. 512.** 2001 2nd sp.s. c 7 s 513 (uncodified) is amended to read  
5 as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS**  
7 **PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND**  
8 **THE NO CHILD LEFT BEHIND ACT**

9 General Fund--Federal Appropriation . . . . . \$ ((288,166,000))  
10 201,737,000

11 **Sec. 513.** 2001 2nd sp.s. c 7 s 514 (uncodified) is amended to read  
12 as follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

14 General Fund--State Appropriation (FY 2002) . . . \$ ((35,882,000))  
15 36,880,000

16 General Fund--State Appropriation (FY 2003) . . . \$ ((36,363,000))  
17 26,635,000

18 General Fund--Federal Appropriation . . . . . \$ ((3,000,000))  
19 60,571,000

20 TOTAL APPROPRIATION . . . . . \$ ((75,245,000))  
21 124,086,000

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

24 (1) \$322,000 of the general fund--state appropriation for fiscal  
25 year 2002 and \$322,000 of the general fund--state appropriation for  
26 fiscal year 2003 are provided solely for the academic achievement and  
27 accountability commission.

28 (2) ((~~\$11,209,000~~)) \$12,209,000 of the general fund--state  
29 appropriation for fiscal year 2002, ((~~\$10,872,000~~)) \$8,872,000 of the  
30 general fund--state appropriation for fiscal year 2003, and  
31 ((~~\$3,000,000~~)) \$4,000,000 of the general fund--federal appropriation  
32 are provided for development and implementation of the Washington  
33 assessments of student learning. Up to \$689,000 of the appropriation  
34 may be expended for data analysis and data management of test results.

35 (3) \$1,095,000 of the fiscal year 2002 general fund--state  
36 appropriation and \$1,095,000 of the fiscal year 2003 general

1 fund--state appropriation are provided solely for training of  
2 paraprofessional classroom assistants and certificated staff who work  
3 with classroom assistants as provided in RCW 28A.415.310.

4 (4) \$4,695,000 of the general fund--state appropriation for fiscal  
5 year 2002 and \$4,695,000 of the general fund--state appropriation for  
6 fiscal year 2003 are provided solely for mentor teacher assistance,  
7 including state support activities, under RCW 28A.415.250 and  
8 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in  
9 this subsection may be used each fiscal year to operate a mentor  
10 academy to help districts provide effective training for peer mentors.  
11 Funds for the teacher assistance program shall be allocated to school  
12 districts based on the number of first year beginning teachers.

13 (a) A teacher assistance program is a program that provides to a  
14 first year beginning teacher peer mentor services that include but are  
15 not limited to:

16 (i) An orientation process and individualized assistance to help  
17 beginning teachers who have been hired prior to the start of the school  
18 year prepare for the start of a school year;

19 (ii) The assignment of a peer mentor whose responsibilities to the  
20 beginning teacher include but are not limited to constructive feedback,  
21 the modeling of instructional strategies, and frequent meetings and  
22 other forms of contact;

23 (iii) The provision by peer mentors of strategies, training, and  
24 guidance in critical areas such as classroom management, student  
25 discipline, curriculum management, instructional skill, assessment,  
26 communication skills, and professional conduct. A district may provide  
27 these components through a variety of means including one-on-one  
28 contact and workshops offered by peer mentors to groups, including  
29 cohort groups, of beginning teachers;

30 (iv) The provision of release time, substitutes, mentor training in  
31 observation techniques, and other measures for both peer mentors and  
32 beginning teachers, to allow each an adequate amount of time to observe  
33 the other and to provide the classroom experience that each needs to  
34 work together effectively;

35 (v) Assistance in the incorporation of the essential academic  
36 learning requirements into instructional plans and in the development  
37 of complex teaching strategies, including strategies to raise the  
38 achievement of students with diverse learning styles and backgrounds;  
39 and

1 (vi) Guidance and assistance in the development and implementation  
2 of a professional growth plan. The plan shall include a professional  
3 self-evaluation component and one or more informal performance  
4 assessments. A peer mentor may not be involved in any evaluation under  
5 RCW 28A.405.100 of a beginning teacher whom the peer mentor has  
6 assisted through this program.

7 (b) In addition to the services provided in (a) of this subsection,  
8 an eligible peer mentor program shall include but is not limited to the  
9 following components:

10 (i) Strong collaboration among the peer mentor, the beginning  
11 teacher's principal, and the beginning teacher;

12 (ii) Stipends for peer mentors and, at the option of a district,  
13 for beginning teachers. The stipends shall not be deemed compensation  
14 for the purposes of salary lid compliance under RCW 28A.400.200 and are  
15 not subject to the continuing contract provisions of Title 28A RCW; and

16 (iii) To the extent that resources are available for this purpose  
17 and that assistance to beginning teachers is not adversely impacted,  
18 the program may serve second year and more experienced teachers who  
19 request the assistance of peer mentors.

20 (5) \$2,025,000 of the general fund--state appropriation for fiscal  
21 year 2002 (~~(and \$2,025,000 of the general fund--state appropriation for~~  
22 ~~fiscal year 2003 are))~~ is provided for improving technology  
23 infrastructure, monitoring and reporting on school district technology  
24 development, promoting standards for school district technology,  
25 promoting statewide coordination and planning for technology  
26 development, and providing regional educational technology support  
27 centers, including state support activities, under chapter 28A.650 RCW.  
28 The superintendent of public instruction shall coordinate a process to  
29 facilitate the evaluation and provision of online curriculum courses to  
30 school districts which includes the following: Creation of a general  
31 listing of the types of available online curriculum courses; a survey  
32 conducted by each regional educational technology support center of  
33 school districts in its region regarding the types of online curriculum  
34 courses desired by school districts; a process to evaluate and  
35 recommend to school districts the best online courses in terms of  
36 curriculum, student performance, and cost; and assistance to school  
37 districts in procuring and providing the courses to students.

38 (6) \$3,600,000 of the general fund--state appropriation for fiscal  
39 year 2002 and \$3,600,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided for grants to school districts to provide  
2 a continuum of care for children and families to help children become  
3 ready to learn. Grant proposals from school districts shall contain  
4 local plans designed collaboratively with community service providers.  
5 If a continuum of care program exists in the area in which the school  
6 district is located, the local plan shall provide for coordination with  
7 existing programs to the greatest extent possible. Grant funds shall  
8 be allocated pursuant to RCW 70.190.040.

9 (7) \$2,500,000 of the general fund--state appropriation for fiscal  
10 year 2002 and \$2,500,000 of the general fund--state appropriation for  
11 fiscal year 2003 are provided solely for the meals for kids program  
12 under RCW 28A.235.145 through 28A.235.155.

13 (8) \$1,409,000 of the general fund--state appropriation for fiscal  
14 year 2002 and \$1,409,000 of the general fund--state appropriation for  
15 fiscal year 2003 are provided solely for the leadership internship  
16 program for superintendents, principals, and program administrators.

17 (9) \$1,828,000 of the general fund--state appropriation for fiscal  
18 year 2002 (~~(and \$1,828,000 of the general fund--state appropriation for~~  
19 ~~fiscal year 2003 are))~~ is provided solely for the mathematics helping  
20 corps subject to the following conditions and limitations:

21 (a) In order to increase the availability and quality of technical  
22 mathematics assistance statewide, the superintendent of public  
23 instruction shall employ mathematics school improvement specialists to  
24 provide assistance to schools and districts. The specialists shall be  
25 hired by and work under the direction of a statewide school improvement  
26 coordinator. The mathematics improvement specialists shall serve on a  
27 rotating basis from one to three years and shall not be permanent  
28 employees of the superintendent of public instruction.

29 (b) The school improvement specialists shall provide the following:

30 (i) Assistance to schools to disaggregate student performance data  
31 and develop improvement plans based on those data;

32 (ii) Consultation with schools and districts concerning their  
33 performance on the Washington assessment of student learning and other  
34 assessments emphasizing the performance on the mathematics assessments;

35 (iii) Consultation concerning curricula that aligns with the  
36 essential academic learning requirements emphasizing the academic  
37 learning requirements for mathematics, the Washington assessment of  
38 student learning, and meets the needs of diverse learners;

- 1 (iv) Assistance in the identification and implementation of
- 2 research-based instructional practices in mathematics;
- 3 (v) Staff training that emphasizes effective instructional
- 4 strategies and classroom-based assessment for mathematics;
- 5 (vi) Assistance in developing and implementing family and community
- 6 involvement programs emphasizing mathematics; and
- 7 (vii) Other assistance to schools and school districts intended to
- 8 improve student mathematics learning.

9 (10) A maximum of \$500,000 of the general fund--state appropriation  
10 for fiscal year 2002 and a maximum of \$500,000 of the general fund--  
11 state appropriation for fiscal year 2003 are provided for summer  
12 accountability institutes offered by the superintendent of public  
13 instruction and the academic achievement and accountability commission.  
14 The institutes shall provide school district staff with training in the  
15 analysis of student assessment data, information regarding successful  
16 district and school teaching models, research on curriculum and  
17 instruction, and planning tools for districts to improve instruction in  
18 reading, mathematics, language arts, and guidance and counseling.

19 (11) \$3,930,000 of the general fund--state appropriation for fiscal  
20 year 2002 (~~and \$3,829,000 of the general fund--state appropriation for~~  
21 ~~fiscal year 2003 are~~) is provided solely for the Washington reading  
22 corps subject to the following conditions and limitations:

23 (a) Grants shall be allocated to schools and school districts to  
24 implement proven, research-based mentoring and tutoring programs in  
25 reading for low-performing students in grades K-6. If the grant is  
26 made to a school district, the principals of schools enrolling targeted  
27 students shall be consulted concerning design and implementation of the  
28 program.

29 (b) The programs may be implemented before, after, or during the  
30 regular school day, or on Saturdays, summer, intercessions, or other  
31 vacation periods.

32 (c) Two or more schools may combine their Washington reading corps  
33 programs.

34 (d) A program is eligible for a grant if it meets the following  
35 conditions:

- 36 (i) The program employs methods of teaching and student learning
- 37 based on reliable reading/literacy research and effective practices;
- 38 (ii) The program design is comprehensive and includes instruction,
- 39 on-going student assessment, professional development,

1 parental/community involvement, and program management aligned with the  
2 school's reading curriculum;

3 (iii) It provides quality professional development and training for  
4 teachers, staff, and volunteer mentors and tutors;

5 (iv) It has measurable goals for student reading aligned with the  
6 essential academic learning requirements; and

7 (v) It contains an evaluation component to determine the  
8 effectiveness of the program.

9 (e) Funding priority shall be given to low-performing schools.

10 (f) Beginning and end-of-program testing data shall be available to  
11 determine the effectiveness of funded programs and practices. Common  
12 evaluative criteria across programs, such as grade-level improvements  
13 shall be available for each reading corps program. The superintendent  
14 of public instruction shall provide program evaluations to the governor  
15 and the appropriate committees of the legislature. Administrative and  
16 evaluation costs may be assessed from the annual appropriation for the  
17 program.

18 (g) Grants provided under this section may be used by schools and  
19 school districts for expenditures from September 2001 through August  
20 31, 2003.

21 (12) (~~(\$377,000)~~) \$375,000 of the general fund--state appropriation  
22 for fiscal year 2002 and (~~(\$701,000)~~) \$655,000 of the general fund--  
23 state appropriation for fiscal year 2003 are provided solely for salary  
24 bonuses for teachers who attain certification by the national board for  
25 professional teaching standards.

26 (~~(b)~~) (a) In the 2002-03 school year, teachers who have attained  
27 certification by the national board in the 2000-01 school year or the  
28 2001-02 school year or the 2002-03 school year shall receive an annual  
29 bonus not to exceed \$3,500.

30 (~~(c)~~) (b) The annual bonus shall be paid in a lump sum amount and  
31 shall not be included in the definition of "earnable compensation"  
32 under RCW 41.32.010(10).

33 (~~(d)~~) (c) It is the intent of the legislature that teachers  
34 achieving certification by the national board of professional teaching  
35 standards will receive no more than three annual bonus payments for  
36 attaining certification by the national board.

37 (13) \$625,000 of the general fund--state appropriation for fiscal  
38 year 2002 and \$625,000 of the general fund--state appropriation for  
39 fiscal year 2003 are provided for a principal support program. The

1 office of the superintendent of public instruction may contract with an  
2 independent organization to administer the program. The program shall  
3 include: (a) Development of an individualized professional growth plan  
4 for a new principal or principal candidate; and (b) participation of a  
5 mentor principal who works over a period of between one and three years  
6 with the new principal or principal candidate to help him or her build  
7 the skills identified as critical to the success of the professional  
8 growth plan.

9 (14) \$71,000 of the general fund--state appropriation for fiscal  
10 year 2002 and \$71,000 of the general fund--state appropriation for  
11 fiscal year 2003 are provided solely for the second grade reading test.  
12 The funds shall be expended for assessment training for new second  
13 grade teachers and replacement of assessment materials.

14 (15) \$384,000 of the general fund--state appropriation for fiscal  
15 year 2002 and \$384,000 of the general fund--state appropriation for  
16 fiscal year 2003 are provided for the superintendent to assist schools  
17 in implementing high academic standards, aligning curriculum with these  
18 standards, and training teachers to use assessments to improve student  
19 learning. Funds may also be used to increase community and parental  
20 awareness of education reform.

21 (16) \$130,000 of the general fund--state appropriation for fiscal  
22 year 2002 and \$130,000 of the general fund--state appropriation for  
23 fiscal year 2003 are provided for the development and posting of web-  
24 based instructional tools, assessment data, and other information that  
25 assists schools and teachers implementing higher academic standards.

26 (17) \$1,000,000 of the general fund--state appropriation for fiscal  
27 year 2002 and \$1,800,000 of the general fund--state appropriation for  
28 fiscal year 2003 are provided solely to the office of the  
29 superintendent of public instruction for focused assistance. The  
30 office of the superintendent of public instruction shall conduct  
31 educational audits of low-performing schools and enter into performance  
32 agreements between school districts and the office to implement the  
33 recommendations of the audit and the community. Of the amounts  
34 provided, \$219,000 of the fiscal year 2002 appropriation and \$207,000  
35 of the fiscal year 2003 appropriation are provided to the office of the  
36 superintendent of public instruction for the administrative duties  
37 arising under this subsection. Each educational audit shall include  
38 recommendations for best practices and ways to address identified needs



1 and shall be presented to the community in a public meeting to seek  
2 input on ways to implement the audit and its recommendations.

3 (18) \$100,000 of the general fund--state appropriation for fiscal  
4 year 2002 is provided solely for grants to school districts to adopt or  
5 revise district-wide and school-level plans to achieve performance  
6 improvement goals established under RCW 28A.655.030, and to post a  
7 summary of the improvement plans on district websites using a common  
8 format provided by the office of the superintendent of public  
9 instruction.

10 (19) \$100,000 of the general fund--state appropriation for fiscal  
11 year 2002 is provided solely for recognition plaques for schools that  
12 successfully met the fourth grade reading improvement goal established  
13 under RCW 28A.655.050.

14 (20) \$46,554,000 of the general fund--federal appropriation is  
15 provided for preparing, training, and recruiting high quality teachers  
16 and principals under Title II of the no child left behind act.

17 (21) \$6,591,000 of the general fund--federal appropriation is  
18 provided for the reading first program under Title I of the no child  
19 left behind act.

20 (22) \$3,426,000 of the general fund--federal appropriation is  
21 provided for the development of state assessments as required under  
22 Title VI of the no child left behind act.

23 **Sec. 514.** 2001 2nd sp.s. c 7 s 515 (uncodified) is amended to read  
24 as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
26 **BILINGUAL PROGRAMS**

27	General Fund--State Appropriation (FY 2002) . . . \$	<del>((43,044,000))</del>
28		<u>42,767,000</u>
29	General Fund--State Appropriation (FY 2003) . . . \$	<del>((45,171,000))</del>
30		<u>44,897,000</u>
31	<u>General Fund--Federal Appropriation . . . . .</u> \$	<u>20,280,000</u>
32	TOTAL APPROPRIATION . . . . . \$	<del>((88,215,000))</del>
33		<u>107,944,000</u>

34 (1) The general fund--state appropriations in this section are  
35 subject to the following conditions and limitations:

1 ((+1)) (a) Each general fund fiscal year appropriation includes  
2 such funds as are necessary to complete the school year ending in the  
3 fiscal year and for prior fiscal year adjustments.

4 ((+2)) (b) The superintendent shall distribute a maximum of  
5 ((~~\$687.19~~)) \$684.36 per eligible bilingual student in the 2001-02  
6 school year and ((~~\$687.19~~)) \$677.75 in the 2002-03 school year,  
7 exclusive of salary and benefit adjustments provided in section 504 of  
8 this act.

9 ((+3)) (c) The superintendent may withhold up to \$295,000 in  
10 school year 2001-02 and up to ((~~\$268,000~~)) \$700,000 in school year  
11 2002-03, and adjust the per eligible pupil rates in subsection (2) of  
12 this section accordingly, for the central provision of assessments as  
13 provided in section 2(1) and (2) of Engrossed Second Substitute House  
14 Bill No. 2025.

15 ((+4)) (d) \$70,000 of the amounts appropriated in this section are  
16 provided solely to develop a system for the tracking of current and  
17 former transitional bilingual program students.

18 ((+5)) (e) Sufficient funding is provided to implement Engrossed  
19 Second Substitute House Bill No. 2025 (schools/bilingual instruction).

20 (2) The general fund--federal appropriation in this section is  
21 provided for English language acquisition and language enhancement  
22 grants under Title III of the no child left behind act.

23 **Sec. 515.** 2001 2nd sp.s. c 7 s 516 (uncodified) is amended to read  
24 as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**  
26 **ASSISTANCE PROGRAM**

27	General Fund--State Appropriation (FY 2002) . . . \$	((70,593,000))
28		<u>71,342,000</u>
29	General Fund--State Appropriation (FY 2003) . . . \$	((68,817,000))
30		<u>64,701,000</u>
31	<u>General Fund--Federal Appropriation . . . . .</u> \$	<u>130,876,000</u>
32	TOTAL APPROPRIATION . . . . . \$	((139,410,000))
33		<u>266,919,000</u>

34 (1) The general fund--state appropriations in this section are  
35 subject to the following conditions and limitations:

1        ~~((1))~~ (a) Each general fund--state fiscal year appropriation  
2 includes such funds as are necessary to complete the school year ending  
3 in the fiscal year and for prior fiscal year adjustments.

4        ~~((2))~~ (b) Funding for school district learning assistance  
5 programs shall be allocated at maximum rates of (~~(\$408.38)~~) \$407.39 per  
6 funded unit for the 2001-02 school year and (~~(\$409.41)~~) \$405.64 per  
7 funded unit for the 2002-03 school year exclusive of salary and benefit  
8 adjustments provided under section 504 of this act.

9        ~~((3))~~ (c) For purposes of this section, "test results" refers to  
10 the district results from the norm-referenced test administered in the  
11 specified grade level. The norm-referenced test results used for the  
12 third and sixth grade calculations shall be consistent with the third  
13 and sixth grade tests required under RCW 28A.230.190 and 28A.230.193.

14        ~~((4))~~ (d) A school district's funded units for the 2001-02 and  
15 2002-03 school years shall be the sum of the following:

16        ~~((a))~~ (i) The district's full-time equivalent enrollment in  
17 grades K-6, multiplied by the 5-year average 4th grade lowest quartile  
18 test results as adjusted for funding purposes in the school years prior  
19 to 1999-2000, multiplied by 0.92 for the 2001-02 school year and by  
20 0.82 for the 2002-03 school year. As the 3rd grade test becomes  
21 available, it shall be phased into the 5-year average on a 1-year lag;  
22 and

23        ~~((b))~~ (ii) The district's full-time equivalent enrollment in  
24 grades 7-9, multiplied by the 5-year average 8th grade lowest quartile  
25 test results as adjusted for funding purposes in the school years prior  
26 to 1999-2000, multiplied by 0.92 for the 2001-02 school year and by  
27 0.82 for the 2002-03 school year. As the 6th grade test becomes  
28 available, it shall be phased into the 5-year average for these grades  
29 on a 1-year lag; and

30        ~~((c))~~ (iii) The district's full-time equivalent enrollment in  
31 grades 10-11 multiplied by the 5-year average 11th grade lowest  
32 quartile test results, multiplied by 0.92 for the 2001-02 school year  
33 and by 0.82 for the 2002-03 school year. As the 9th grade test becomes  
34 available, it shall be phased into the 5-year average for these grades  
35 on a 1-year lag; and

36        ~~((d))~~ (iv) If, in the prior school year, the district's  
37 percentage of October headcount enrollment in grades K-12 eligible for  
38 free and reduced price lunch exceeded the state average, subtract the  
39 state average percentage of students eligible for free and reduced

1 price lunch from the district's percentage and multiply the result by  
2 the district's K-12 annual average full-time equivalent enrollment for  
3 the current school year multiplied by 22.3 percent.

4 ((+5)) (e) For the 2002-03 school year, in addition to the amounts  
5 allocated under (d)(i) through (iv) of this subsection, the  
6 superintendent shall provide additional amounts calculated as follows:

7 (i) For school districts receiving less than a 3.0 percent increase  
8 in federal Title I Part A funds from the 2001-02 school year to the  
9 2002-03 school year:

10 (A) Calculate the allocation under (d)(i) through (iii) of this  
11 subsection;

12 (B) Calculate the allocation under (d)(i) through (iii) of this  
13 subsection using a multiplier of 0.92 rather than 0.82;

14 (C) Provide the difference between the results of (e)(i)(A) and  
15 (i)(B) of this subsection.

16 (ii) For school districts receiving more than a 3.0 percent  
17 increase in federal Title I Part A funds from the 2001-02 school year  
18 to the 2002-03 school year:

19 (A) Calculate the amount of the increase in Title I Part A from the  
20 2001-02 school year to the 2002-03 school year that is greater than 3  
21 percent;

22 (B) Calculate the allocation under (d)(i) through (iii) of this  
23 subsection;

24 (C) Calculate the allocation under (d)(i) through (iii) of this  
25 subsection using a multiplier of 0.92 rather than 0.82;

26 (D) Subtract (e)(ii)(C) from (ii)(B) of this subsection;

27 (E) If the result of (e)(ii)(D) of this subsection is greater than  
28 the result of (e)(ii)(A) of this subsection, then provide the  
29 difference between (e)(ii)(D) and (ii)(A) of this subsection.

30 (f) School districts may carry over from one year to the next up to  
31 10 percent of general fund--state funds allocated under this program;  
32 however, carryover funds shall be expended for the learning assistance  
33 program.

34 (2) The general fund--federal appropriation is provided for Title  
35 I Part A allocations under the no child left behind act of 2001.

36 **Sec. 516.** 2001 2nd sp.s. c 7 s 517 (uncodified) is amended to read  
37 as follows:

38 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

1	General Fund--State Appropriation (FY 2002) . . . \$	((19,515,000))
2		<u>19,663,000</u>
3	General Fund--State Appropriation (FY 2003) . . . \$	((17,516,000))
4		<u>3,541,000</u>
5	TOTAL APPROPRIATION . . . . . \$	((37,031,000))
6		<u>23,204,000</u>

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

9 (1) Each general fund fiscal year appropriation includes such funds  
10 as are necessary to complete the school year ending in the fiscal year  
11 and for prior fiscal year adjustments.

12 (2) Funds are provided for local education program enhancements to  
13 meet educational needs as identified by the school district, including  
14 alternative education programs.

15 (3) Allocations for the 2001-02 school year shall be at a maximum  
16 annual rate of \$18.48 per full-time equivalent student (~~and \$18.48 per~~  
17 ~~full-time equivalent student for the 2002-03 school year~~).  
18 Allocations shall be made on the monthly apportionment payment schedule  
19 provided in RCW 28A.510.250 and shall be based on school district  
20 annual average full-time equivalent enrollment in grades kindergarten  
21 through twelve: PROVIDED, That for school districts enrolling not more  
22 than one hundred average annual full-time equivalent students, and for  
23 small school plants within any school district designated as remote and  
24 necessary schools, the allocations shall be as follows:

25 (a) Enrollment of not more than sixty average annual full-time  
26 equivalent students in grades kindergarten through six shall generate  
27 funding based on sixty full-time equivalent students;

28 (b) Enrollment of not more than twenty average annual full-time  
29 equivalent students in grades seven and eight shall generate funding  
30 based on twenty full-time equivalent students; and

31 (c) Enrollment of not more than sixty average annual full-time  
32 equivalent students in grades nine through twelve shall generate  
33 funding based on sixty full-time equivalent students.

34 (4) Funding provided pursuant to this section does not fall within  
35 the definition of basic education for purposes of Article IX of the  
36 state Constitution and the state's funding duty thereunder.

37 (5) The superintendent shall not allocate up to one-fourth of a  
38 district's funds under this section if:

1 (a) The district is not maximizing federal matching funds for  
2 medical services provided through special education programs, pursuant  
3 to RCW 74.09.5241 through 74.09.5256 (Title XIX funding); or

4 (b) The district is not in compliance in filing truancy petitions  
5 as required under chapter 312, Laws of 1995 and RCW 28A.225.030.

6 **Sec. 517.** 2001 2nd sp.s. c 7 s 519 (uncodified) is amended to read  
7 as follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**  
9 **PROGRAM**

10	Student Achievement Fund--State	
11	Appropriation (FY 2002) . . . . .	\$ (( <del>184,232,000</del> ))
12		<u>180,837,000</u>
13	Student Achievement Fund--State	
14	Appropriation (FY 2003) . . . . .	\$ (( <del>209,068,000</del> ))
15		<u>210,312,000</u>
16	TOTAL APPROPRIATION . . . . .	\$ (( <del>393,300,000</del> ))
17		<u>391,149,000</u>

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

20 (1) The appropriation is allocated for the following uses as  
21 specified in chapter 28A.505 RCW as amended by chapter 3, Laws of 2001  
22 (Initiative Measure No. 728):

23 (a) To reduce class size by hiring certificated elementary  
24 classroom teachers in grades K-4 and paying nonemployee-related costs  
25 associated with those new teachers;

26 (b) To make selected reductions in class size in grades 5-12, such  
27 as small high school writing classes;

28 (c) To provide extended learning opportunities to improve student  
29 academic achievement in grades K-12, including, but not limited to,  
30 extended school year, extended school day, before-and-after-school  
31 programs, special tutoring programs, weekend school programs, summer  
32 school, and all-day kindergarten;

33 (d) To provide additional professional development for educators  
34 including additional paid time for curriculum and lesson redesign and  
35 alignment, training to ensure that instruction is aligned with state  
36 standards and student needs, reimbursement for higher education costs  
37 related to enhancing teaching skills and knowledge, and mentoring









1 institution may provide the same average increases to similar positions  
2 that are not state-funded.

3 (d) The community and technical colleges shall provide to academic  
4 employees, (~~exempt professional staff, and academic administrators~~)  
5 as defined in RCW 28B.52.020 pursuant to the provisions of Initiative  
6 Measure No. 732, an average salary increase of 3.7 percent on July 1,  
7 2001, and 3.6 percent on July 1, 2002. (~~Funds are also provided for~~  
8 ~~salary increases for these groups on July 1, 2002, in a percentage~~  
9 ~~amount to be determined by the 2002 legislature and, in the case of~~  
10 ~~community college academic employees and technical college employees,~~  
11 ~~consistent with the provisions of Initiative 732.~~)

12 (e) For employees under the jurisdiction of chapter 41.56 RCW  
13 pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1),  
14 distribution of the salary increases will be in accordance with the  
15 applicable collective bargaining agreement. However, an increase shall  
16 not be provided to any classified employee whose salary is above the  
17 approved salary range maximum for the class to which the employee's  
18 position is allocated.

19 (f) Each institution of higher education receiving appropriations  
20 under sections 604 through 609 of this act may provide additional  
21 salary increases to instructional and research faculty, exempt  
22 professional staff, academic administrators, academic librarians,  
23 counselors, teaching and research assistants, as classified by the  
24 office of financial management, and all other nonclassified staff, but  
25 not including employees under RCW 28B.16.015. Any salary increase  
26 granted under the authority of this subsection (2)(f) shall not be  
27 included in an institution's salary base. It is the intent of the  
28 legislature that general fund--state support for an institution shall  
29 not increase during the current or any future biennium as a result of  
30 any salary increases authorized under this subsection (2)(f).

31 (g) To collect consistent data for use by the legislature, the  
32 office of financial management, and other state agencies for policy and  
33 planning purposes, institutions of higher education shall report  
34 personnel data to be used in the department of personnel's human  
35 resource data warehouse in compliance with uniform reporting procedures  
36 established by the department of personnel.

37 (h) Specific salary increases authorized in sections 603 through  
38 609 of this act are in addition to any salary increase provided in this  
39 subsection.

1 (3) The tuition fees, as defined in chapter 28B.15 RCW, charged to  
2 full-time students at the state's institutions of higher education for  
3 the 2001-02 and 2002-03 academic years, other than the summer term, may  
4 be adjusted by the governing boards of the state universities, regional  
5 universities, The Evergreen State College, and the state board for  
6 community and technical colleges as provided in this subsection.

7 (a) For the 2001-02 academic year, the governing boards and the  
8 state board may implement an increase no greater than six and seven-  
9 tenths percent over tuition fees charged to full-time students for the  
10 2000-01 academic year.

11 (b)(i) ~~For the 2002-03 academic year, the governing boards ((and~~  
12 ~~the state board may implement an increase no greater than six and one-~~  
13 ~~tenth percent over the tuition fees charged to full-time students for~~  
14 ~~the 2001-02 academic year.))~~ of the state universities may implement an  
15 increase no greater than sixteen percent over tuition fees charged to  
16 full-time resident undergraduate students for the 2001-02 academic  
17 year.

18 (ii) For the 2002-03 academic year, the governing boards of the  
19 regional universities and The Evergreen State College may implement an  
20 increase no greater than fourteen percent over tuition fees charged to  
21 full-time resident undergraduate students for the 2001-02 academic  
22 year.

23 (iii) For the 2002-03 academic year, the state board for community  
24 and technical colleges may implement an increase no greater than twelve  
25 percent over tuition fees charged to full-time resident undergraduate  
26 students for the 2001-02 academic year.

27 (iv) For the 2002-03 academic year, the governing boards of the  
28 state universities, the regional universities, The Evergreen State  
29 College, and the state board for community and technical colleges may  
30 implement an increase over tuition fees charged to nonresident  
31 undergraduate students for the 2001-02 academic year.

32 (c) For the 2001-02 academic year, the governing boards may  
33 implement an increase for law and graduate business programs no greater  
34 than twelve percent over tuition fees charged to law and graduate  
35 business students for the 2000-01 academic year, except as provided in  
36 (e) of this subsection.

37 (d) ~~For the 2002-03 academic year, the governing boards ((may~~  
38 ~~implement an increase for law and graduate business programs no greater~~  
39 ~~than twelve percent over tuition fees charged to law and graduate~~

1 ~~business students for the 2001-02 academic year, except as provided in~~  
2 ~~(f) of this subsection.))~~ of the state universities, the regional  
3 universities, and The Evergreen State College may implement an increase  
4 over tuition fees charged to graduate, law, and first professional  
5 students for the 2001-02 academic year.

6 (e) For the 2001-02 academic year, the governing boards of the  
7 University of Washington may implement an increase for graduate  
8 business programs no greater than 15 percent over tuition fees charged  
9 to graduate business students for the 2000-01 academic year.

10 ~~(f) ((For the 2002-03 academic year, the governing boards of the~~  
11 ~~University of Washington may implement an increase for graduate~~  
12 ~~business programs no greater than 20 percent over tuition fees charged~~  
13 ~~to graduate business students for the 2001-02 academic year.~~

14 ~~—(g))~~ (i) For the 2001-02 ~~((and the 2002-03))~~ academic year~~((s))~~,  
15 the state board for community and technical colleges may increase  
16 tuition fees differentially based on student credit hour load, but the  
17 average percentage increase for students taking fifteen or fewer  
18 credits shall not exceed ~~((the limits in subsection (3)(a) and (b) of~~  
19 ~~this section))~~ twelve percent.

20 (ii) For the 2002-03 academic year, the state board for community  
21 and technical colleges may increase tuition fees differentially at  
22 their discretion.

23 ~~((h))~~ (g) For the 2001-03 biennium, the governing boards and the  
24 state board may adjust full-time operating fees for factors that may  
25 include time of day and day of week, as well as delivery method and  
26 campus, to encourage full use of the state's educational facilities and  
27 resources.

28 ~~((i))~~ (h) The tuition increases adopted under (a), (b), (g), and  
29 (h) of this subsection need not apply uniformly across student  
30 categories as defined in chapter 28B.15 RCW so long as the increase for  
31 each student category does not exceed the percentages specified in this  
32 subsection.

33 (4) ~~((In addition to waivers granted under the authority of RCW~~  
34 ~~28B.15.910, the governing boards and the state board may waive all or~~  
35 ~~a portion of the operating fees for any student.))~~ For the remainder of  
36 the 2001-03 biennium, the governing boards and the state board are  
37 encouraged to reduce waiver activity in recognition of the need to  
38 retain available resources to preserve the educational quality of  
39 higher education institutions. State general fund appropriations shall

1 not be provided to replace tuition and fee revenue foregone as a result  
2 of waivers granted under (~~this subsection~~) authority of RCW  
3 28B.15.915.

4 (5) Pursuant to RCW 43.15.055, institutions of higher education  
5 receiving appropriations under sections 603 through 609 of this act are  
6 authorized to increase summer term tuition in excess of the fiscal  
7 growth factor during the 2001-03 biennium. Tuition levels increased  
8 pursuant to this subsection shall not exceed the per credit hour rate  
9 calculated from the academic year tuition levels adopted under this  
10 act.

11 (6) Community colleges may increase services and activities fee  
12 charges in excess of the fiscal growth factor up to the maximum level  
13 authorized by the state board for community and technical colleges.

14 (7) Each institution receiving appropriations under sections 604  
15 through 609 of this act shall submit a biennial plan to achieve  
16 measurable and specific improvements each academic year as part of a  
17 continuing effort to make meaningful and substantial progress towards  
18 the achievement of long-term performance goals. The plans, to be  
19 prepared at the direction of the higher education coordinating board,  
20 shall be submitted by August 15, 2001. The higher education  
21 coordinating board shall set biennial performance targets for each  
22 institution and shall review actual achievements annually.  
23 Institutions shall track their actual performance on the statewide  
24 measures as well as faculty productivity, the goals and targets for  
25 which may be unique to each institution. A report on progress towards  
26 statewide and institution-specific goals, with recommendations for the  
27 ensuing biennium, shall be submitted to the fiscal and higher education  
28 committees of the legislature by November 15, 2003.

29 (8) The state board for community and technical colleges shall  
30 develop a biennial plan to achieve measurable and specific improvements  
31 each academic year as part of a continuing effort to make meaningful  
32 and substantial progress to achieve long-term performance goals. The  
33 board shall set biennial performance targets for each college or  
34 district, where appropriate, and shall review actual achievements  
35 annually. Colleges shall track their actual performance on the  
36 statewide measures. A report on progress towards the statewide goals,  
37 with recommendations for the ensuing biennium, shall be submitted to  
38 the fiscal and higher education committees of the legislature by  
39 November 15, 2003.

1       **Sec. 602.** 2001 2nd sp.s. c 7 s 602 (uncodified) is amended to read  
2 as follows:

3       The appropriations in sections 603 through 609 of this act provide  
4 state general fund support for full-time equivalent student enrollments  
5 at each institution of higher education. Listed below are the annual  
6 full-time equivalent student enrollments by institutions assumed in  
7 this act.

8	2001-2002	2002-2003
9	Annual	Annual
10	Average	Average
11 University of Washington		
12 Main campus	32,321	32,427
13 Bothell branch	1,169	1,235
14 Tacoma branch	1,330	1,484
15 Washington State University		
16 Main campus	17,332	17,332
17 Spokane branch	551	593
18 Tri-Cities branch	616	616
19 Vancouver branch	1,071	1,153
20 Central Washington University	7,470	7,470
21 Eastern Washington University	7,933	8,017
22 The Evergreen State College	3,754	3,837
23 Western Washington University	10,976	11,126
24 State Board for Community and		
25 Technical Colleges	125,082	<del>((126,902))</del>
26		<u>128,402</u>

27       When allocating newly budgeted enrollments, each institution of  
28 higher education shall give priority to high demand fields, including  
29 but not limited to technology, health professions, and education. At  
30 the end of each fiscal year, each institution of higher education and  
31 the state board for community and technical colleges shall submit a  
32 report to the higher education coordinating board detailing how newly  
33 budgeted enrollments have been allocated.

1       **Sec. 603.** 2001 2nd sp.s. c 7 s 603 (uncodified) is amended to read  
2 as follows:

3 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

4	General Fund--State Appropriation (FY 2002) . . . . .	\$	(( <del>514,399,000</del> ))
5			<u>514,141,000</u>
6	General Fund--State Appropriation (FY 2003) . . . . .	\$	(( <del>543,731,000</del> ))
7			<u>533,088,000</u>
8	General Fund--Federal Appropriation . . . . .	\$	11,404,000
9	<u>Administrative Contingency Account--State</u>		
10	<u>Appropriation</u> . . . . .	\$	<u>2,600,000</u>
11	Education Savings Account--State		
12	Appropriation . . . . .	\$	4,500,000
13	TOTAL APPROPRIATION . . . . .	\$	(( <del>1,074,034,000</del> ))
14			<u>1,065,733,000</u>

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

17       (1) The technical colleges may increase tuition and fees in excess  
18 of the fiscal growth factor to conform with the percentage increase in  
19 community college operating fees.

20       (2) \$2,475,000 of the general fund--state appropriation for fiscal  
21 year 2002 and \$5,025,000 of the general fund--state appropriation for  
22 fiscal year 2003 are provided solely to increase salaries and related  
23 benefits for part-time faculty. The board shall report by December 1  
24 of each fiscal year to the office of financial management and  
25 legislative fiscal and higher education committees on (a) the  
26 distribution of state funds; (b) wage adjustments for part-time  
27 faculty; and (c) progress to achieve the long-term performance targets  
28 for each district, with respect to use of part-time faculty, pursuant  
29 to the faculty mix study conducted under section 603, chapter 309, Laws  
30 of 1999.

31       (3) \$1,155,000 of the general fund--state appropriation for fiscal  
32 year 2002 and \$2,345,000 of the general fund--state appropriation for  
33 fiscal year 2003 are provided solely for faculty salary increments and  
34 associated benefits and may be used in combination with salary and  
35 benefit savings from faculty turnover to provide faculty salary  
36 increments and associated benefits. To the extent general salary  
37 increase funding is used to pay faculty increments, the general salary  
38 increase shall be reduced by the same amount.

1 (4) \$1,000,000 of the general fund--state appropriation for fiscal  
2 year 2002 and \$1,000,000 of the general fund--state appropriation for  
3 fiscal year 2003 are provided for a program to fund the start-up of new  
4 community and technical college programs in rural counties as defined  
5 under RCW 43.160.020(12) and in communities impacted by business  
6 closures and job reductions. Successful proposals must respond to  
7 local economic development strategies and must include a plan to  
8 continue programs developed with this funding.

9 (5) \$326,000 of the general fund--state appropriation for fiscal  
10 year 2002 and \$640,000 of the general fund--state appropriation for  
11 fiscal year 2003 are provided solely for allocation to twelve college  
12 districts identified in (a) through (l) of this subsection to prepare  
13 students for transfer to the state technology institute at the Tacoma  
14 branch campus of the University of Washington. The appropriations in  
15 this section are intended to supplement, not supplant, general  
16 enrollment allocations by the board to the districts under (a) through  
17 (l) of this subsection:

- 18 (a) Bates Technical College;
- 19 (b) Bellevue Community College;
- 20 (c) Centralia Community College;
- 21 (d) Clover Park Community College;
- 22 (e) Grays Harbor Community College;
- 23 (f) Green River Community College;
- 24 (g) Highline Community College;
- 25 (h) Tacoma Community College;
- 26 (i) Olympic Community College;
- 27 (j) Pierce District;
- 28 (k) Seattle District; and
- 29 (l) South Puget Sound Community College.

30 (6) \$28,761,000 of the general fund--state appropriation for fiscal  
31 year 2002 and (~~(\$28,761,000)~~) \$35,161,000 of the general fund--state  
32 appropriation for fiscal year 2003 are provided solely as special funds  
33 for training and related support services, including financial aid, as  
34 specified in chapter 226, Laws of 1993 (employment and training for  
35 unemployed workers).

36 (a) Funding is provided to support up to (~~(7,200)~~) 8,700 full-time  
37 equivalent students in each fiscal year.

38 (b) In directing these resources during the 2001-03 biennium, the  
39 state board for community and technical colleges shall give



1 considerable attention to the permanent dislocation of workers from  
2 industries facing rapidly rising energy costs, such as direct service  
3 industries.

4 (7) \$1,000,000 of the general fund--state appropriation for fiscal  
5 year 2002 and \$1,000,000 of the general fund--state appropriation for  
6 fiscal year 2003 are provided solely for tuition support for students  
7 enrolled in work-based learning programs.

8 (8) \$567,000 of the general fund--state appropriation for fiscal  
9 year 2002 and \$568,000 of the general fund--state appropriation for  
10 fiscal year 2003 are provided solely for administration and customized  
11 training contracts through the job skills program.

12 (9) \$50,000 of the general fund--state appropriation for fiscal  
13 year 2002 and \$50,000 of the general fund--state appropriation for  
14 fiscal year 2003 are solely for higher education student child care  
15 matching grants under chapter 28B.135 RCW.

16 (10) \$212,000 of the general fund--state appropriation for fiscal  
17 year 2002 and \$212,000 of the general fund--state appropriation for  
18 fiscal year 2003 are provided for allocation to Olympic college. The  
19 college shall contract with accredited baccalaureate institution(s) to  
20 bring a program of upper-division courses to Bremerton. Funds provided  
21 are sufficient to support at least 30 additional annual full-time  
22 equivalent students. The state board for community and technical  
23 colleges shall report to the office of financial management and the  
24 fiscal and higher education committees of the legislature on the  
25 implementation of this subsection by December 1st of each fiscal year.

26 (11) The entire education savings account appropriation is provided  
27 solely to support the development of a multicollege student-centered  
28 online service center for distance learners, including self-service  
29 internet applications and staff support 24 hours per day. Moneys may  
30 be allocated by the office of financial management upon certification  
31 that sufficient cash is available beyond the appropriations made for  
32 the 2001-03 biennium for the purposes of common school construction.

33 **Sec. 604.** 2001 2nd sp.s. c 7 s 604 (uncodified) is amended to read  
34 as follows:

35 **FOR UNIVERSITY OF WASHINGTON**

36	General Fund--State Appropriation (FY 2002)	. . . \$	(( <del>345,974,000</del> ))
37			<u>345,904,000</u>
38	General Fund--State Appropriation (FY 2003)	. . . \$	(( <del>361,114,000</del> ))



1 of arts and associate of science transfer degrees. Such agreements  
2 shall improve the transferability of students and in particular,  
3 students with substantial applied information technology credits.

4 (b) The university will establish performance measures for  
5 recruiting, retaining and graduating students, including nontraditional  
6 students, and report back to the governor and legislature by September  
7 2002 as to its progress and future steps.

8 (3) \$150,000 of the general fund--state appropriation for fiscal  
9 year 2002 and \$150,000 of the general fund--state appropriation for  
10 fiscal year 2003 are provided solely for research faculty clusters in  
11 the advanced technology initiative program.

12 (4) The department of environmental health shall report to the  
13 legislature the historical, current, and anticipated use of funds  
14 provided from the accident and medical aid accounts. The report shall  
15 be submitted prior to the convening of the 2002 legislative session.

16 (5) \$259,000 of the death investigations account appropriation is  
17 provided solely for the forensic pathologist fellowship program.

18 (6) \$150,000 of the general fund--state appropriation for fiscal  
19 year 2002 and \$150,000 of the general fund--state appropriation for  
20 fiscal year 2003 are provided solely for the implementation of the  
21 Puget Sound work plan and agency action item UW-01.

22 (7) \$75,000 of the general fund--state appropriation for fiscal  
23 year 2002 and \$75,000 of the general fund--state appropriation for  
24 fiscal year 2003 are provided solely for the Olympic natural resource  
25 center.

26 (8) \$50,000 of the general fund--state appropriations are provided  
27 solely for the school of medicine to conduct a survey designed to  
28 evaluate characteristics, factors and probable causes for the high  
29 incidence of multiple sclerosis cases in Washington state.

30 (9) \$1,103,000 of the University of Washington building account--  
31 state appropriation is provided solely for the repair and  
32 reconstruction of the Urban Horticulture Center (Merrill Hall).

33 **Sec. 605.** 2001 2nd sp.s. c 7 s 605 (uncodified) is amended to read  
34 as follows:

35 **FOR WASHINGTON STATE UNIVERSITY**

36 General Fund--State Appropriation (FY 2002) . . \$ ((~~201,416,000~~))  
37 201,362,000  
38 General Fund--State Appropriation (FY 2003) . . \$ ((~~209,939,000~~))

1		<u>198,084,000</u>
2	TOTAL APPROPRIATION . . . . .	\$ (( <del>411,355,000</del> ))
3		<u>399,446,000</u>

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

6 (1) The university may reallocate 10 percent of newly budgeted  
7 enrollments to campuses other than specified by the legislature in  
8 section 602 of this act in order to focus on high demand areas. The  
9 university will report the details of these reallocations to the office  
10 of financial management and the fiscal and higher education committees  
11 of the legislature for monitoring purposes by the 10th day of the  
12 academic quarter that follows the reallocation actions. The report  
13 will provide details of undergraduate and graduate enrollments at the  
14 main campus and each of the branch campuses.

15 (2) \$150,000 of the general fund--state appropriation for fiscal  
16 year 2002 and \$150,000 of the general fund--state appropriation for  
17 fiscal year 2003 are provided solely for research faculty clusters in  
18 the advanced technology initiative program.

19 (3) \$165,000 of the general fund--state appropriation for fiscal  
20 year 2002 and \$166,000 of the general fund--state appropriation for  
21 fiscal year 2003 are provided solely for the implementation of the  
22 Puget Sound work plan and agency action item WSU-01.

23 **Sec. 606.** 2001 2nd sp.s. c 7 s 606 (uncodified) is amended to read  
24 as follows:

25 **FOR EASTERN WASHINGTON UNIVERSITY**

26	General Fund--State Appropriation (FY 2002) . . . . .	\$ (( <del>45,532,000</del> ))
27		<u>45,517,000</u>
28	General Fund--State Appropriation (FY 2003) . . . . .	\$ (( <del>47,382,000</del> ))
29		<u>44,689,000</u>
30	TOTAL APPROPRIATION . . . . .	\$ (( <del>92,914,000</del> ))
31		<u>90,206,000</u>

32 **Sec. 607.** 2001 2nd sp.s. c 7 s 607 (uncodified) is amended to read  
33 as follows:

34 **FOR CENTRAL WASHINGTON UNIVERSITY**

35	General Fund--State Appropriation (FY 2002) . . . . .	\$ (( <del>44,164,000</del> ))
36		<u>44,147,000</u>

1	General Fund--State Appropriation (FY 2003) . . . . .	\$	(( <del>44,976,000</del> ))
2			<u>42,690,000</u>
3	TOTAL APPROPRIATION . . . . .	\$	(( <del>89,140,000</del> ))
4			<u>86,837,000</u>

5 The appropriations in this section are subject to the following  
6 conditions and limitations: \$700,000 of the general fund--state  
7 appropriation for fiscal year 2002 (~~is~~) and \$350,000 of the general  
8 fund--state appropriation for fiscal year 2003 are provided solely for  
9 the development and implementation of the university's enrollment  
10 stabilization recovery and growth plan. The university shall report  
11 back to the fiscal committees of the legislature, the office of  
12 financial management, and the higher education coordinating board at  
13 the end of each fiscal year with details of its actions and progress.

14 **Sec. 608.** 2001 2nd sp.s. c 7 s 608 (uncodified) is amended to read  
15 as follows:

16 **FOR THE EVERGREEN STATE COLLEGE**

17	General Fund--State Appropriation (FY 2002) . . . . .	\$	(( <del>25,334,000</del> ))
18			<u>25,340,000</u>
19	General Fund--State Appropriation (FY 2003) . . . . .	\$	(( <del>26,260,000</del> ))
20			<u>24,814,000</u>
21	TOTAL APPROPRIATION . . . . .	\$	(( <del>51,594,000</del> ))
22			<u>50,154,000</u>

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

25 (1) \$75,000 of the general fund--state appropriation for fiscal  
26 year 2002 is provided solely for the institute for public policy to  
27 complete studies of services described in section 202(1), chapter 1,  
28 Laws of 2000 2nd sp. sess.

29 (2) \$11,000 of the general fund--state appropriation for fiscal  
30 year 2002 and \$54,000 of the general fund--state appropriation for  
31 fiscal year 2003 are provided solely for the institute for public  
32 policy to conduct an outcome evaluation pursuant to Substitute Senate  
33 Bill No. 5416 (drug-affected infants). The institute shall provide a  
34 report to the fiscal, health, and human services committees of the  
35 legislature by December 1, 2003. If the bill is not enacted by June  
36 30, 2001, the amounts provided in this subsection shall be used to  
37 evaluate outcomes across state health and social service pilot projects

1 and other national models involving women who have given birth to a  
2 drug-affected infant, comparing gains in positive birth outcomes for  
3 resources invested, in which case the institute's findings and  
4 recommendations will be provided by November 15, 2002.

5 (3) \$11,000 of the general fund--state appropriation for fiscal  
6 year 2002 and \$33,000 of the general fund--state appropriation for  
7 fiscal year 2003 are provided solely for the institute for public  
8 policy to evaluate partnership grant programs for alternative teacher  
9 certification pursuant to Engrossed Second Substitute Senate Bill No.  
10 5695. An interim report shall be provided to the fiscal and education  
11 committees of the legislature by December 1, 2002, and a final report  
12 by December 1, 2004.

13 (4) \$60,000 of the general fund--state appropriation for fiscal  
14 year 2002 is provided solely for the institute for public policy to  
15 examine options for revising the state's funding formula for the  
16 learning assistance program to enhance accountability for school  
17 performance in meeting education reform goals. The institute shall  
18 submit its report to the appropriate legislative fiscal and policy  
19 committees by June 30, 2002.

20 (5) \$50,000 of the general fund--state appropriation for fiscal  
21 year 2002 is provided solely for the institute for public policy to  
22 study the prevalence and needs of families who are raising related  
23 children. The study shall compare services and policies of Washington  
24 state with other states that have a high rate of kinship care  
25 placements in lieu of foster care placements. The study shall identify  
26 possible changes in services and policies that are likely to increase  
27 appropriate kinship care placements. A report shall be provided to the  
28 fiscal and human services committees of the legislature by June 1,  
29 2002.

30 (6) \$35,000 of the general fund--state appropriation for fiscal  
31 year 2002 and \$15,000 of the general fund--state appropriation for  
32 fiscal year 2003 are provided solely for the institute for public  
33 policy to examine various educational delivery models for providing  
34 services and education for students through the Washington state school  
35 for the deaf. The institute's report, in conjunction with the capacity  
36 planning study from the joint legislative audit and review committee,  
37 shall be submitted to the fiscal committees of the legislature by  
38 September 30, 2002.

1 (7) \$30,000 of the general fund--state appropriation for fiscal  
2 year 2002 is provided solely for the institute for public policy to  
3 examine the structure, policies, and recent experience in states where  
4 welfare recipients may attend college full-time as their required TANF  
5 work activity. The institute will provide findings and recommend how  
6 Washington could consider adding this feature in a targeted, cost-  
7 neutral manner that would complement the present-day WorkFirst efforts  
8 and caseload. The institute shall provide a report to the human  
9 services, higher education, and fiscal committees of the legislature by  
10 November 15, 2001.

11 (8) \$75,000 of the general fund--state appropriation for fiscal  
12 year 2002 and \$75,000 of the general fund--state appropriation for  
13 fiscal year 2003 are provided solely for the institute for public  
14 policy to research and evaluate strategies for constraining the growth  
15 in state health expenditures. Specific research topics, approaches,  
16 and timelines shall be identified in consultation with the fiscal  
17 committees of the legislature.

18 (9) \$100,000 of the general fund--state appropriation for fiscal  
19 year 2002 is provided solely for the institute for public policy to  
20 conduct a comprehensive review of the costs and benefits of existing  
21 juvenile crime prevention and intervention programs. This evaluation  
22 shall also consider what changes could result in more cost-effective  
23 and efficient funding for juvenile crime prevention and intervention  
24 programs presently supported with state funds. The institute for  
25 public policy shall report its findings and recommendations to the  
26 appropriate legislative fiscal and policy committees by October 1,  
27 2002.

28 (10) \$15,000 of the general fund--state appropriation for fiscal  
29 year 2002 and \$71,000 of the general fund--state appropriation for  
30 fiscal year 2003 are provided solely for the institute for public  
31 policy to conduct a review of branch campuses of the state's higher  
32 education research universities. The study shall examine: (a) The  
33 original mission of branch campuses; (b) the extent branch campuses are  
34 meeting their original mission; and (c) the extent key factors that led  
35 to the creation of branch campuses have changed, including student  
36 demographics, demand for and availability of upper division higher  
37 education, and local or state labor markets. The study shall also  
38 include a range of policy options the legislature could consider  
39 regarding branch campuses. The institute shall submit an interim

1 report by December 12, 2002, and a final report by June 30, 2003, to  
2 appropriate legislative committees.

3 **Sec. 609.** 2001 2nd sp.s. c 7 s 609 (uncodified) is amended to read  
4 as follows:

5 **FOR WESTERN WASHINGTON UNIVERSITY**

6	General Fund--State Appropriation (FY 2002) . . . \$	((59,755,000))
7		<u>59,732,000</u>
8	General Fund--State Appropriation (FY 2003) . . . \$	((62,881,000))
9		<u>59,319,000</u>
10	TOTAL APPROPRIATION . . . . . \$	((122,636,000))
11		<u>119,051,000</u>

12 The appropriations in this section are subject to the following  
13 conditions and limitations: \$753,000 of the general fund--state  
14 appropriation for fiscal year 2002 and ((~~\$1,032,000~~)) \$990,720 of the  
15 general fund--state appropriation for fiscal year 2003 are provided  
16 solely for the operations of the North Snohomish, Island, Skagit (NSIS)  
17 higher education consortium.

18 **Sec. 610.** 2001 2nd sp.s. c 7 s 610 (uncodified) is amended to read  
19 as follows:

20 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**  
21 **ADMINISTRATION**

22	General Fund--State Appropriation (FY 2002) . . . \$	2,345,000
23	General Fund--State Appropriation (FY 2003) . . . \$	((2,408,000))
24		<u>2,372,000</u>
25	General Fund--Federal Appropriation . . . . . \$	636,000
26	TOTAL APPROPRIATION . . . . . \$	((5,389,000))
27		<u>5,353,000</u>

28 The appropriations in this section are provided to carry out the  
29 policy coordination, planning, studies and administrative functions of  
30 the board and are subject to the following conditions and limitations:

31 (1) \$150,000 of the general fund--state appropriation for fiscal  
32 year 2002 and \$150,000 of the general fund--state appropriation for  
33 fiscal year 2003 are provided solely to continue the teacher training  
34 pilot program pursuant to chapter 177, Laws of 1999.

35 (2) \$105,000 of the general fund--state appropriation for fiscal  
36 year 2002 and \$245,000 of the general fund--state appropriation for



1 fiscal year 2003 are provided solely to continue a demonstration  
2 project to improve rural access to post-secondary education by bringing  
3 distance learning technologies into Jefferson county.

4 **Sec. 611.** 2001 2nd sp.s. c 7 s 611 (uncodified) is amended to read  
5 as follows:

6 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**  
7 **PROGRAMS**

8	General Fund--State Appropriation (FY 2002) . . . \$	123,645,000
9	General Fund--State Appropriation (FY 2003) . . . \$	<del>((136,205,000))</del>
10		<u>136,685,000</u>
11	General Fund--Federal Appropriation . . . . . \$	7,511,000
12	Advanced College Tuition Payment Program Account--	
13	State Appropriation . . . . . \$	<del>((3,604,000))</del>
14		<u>1,803,000</u>
15	TOTAL APPROPRIATION . . . . . \$	<del>((270,965,000))</del>
16		<u>269,644,000</u>

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

19 (1) \$534,000 of the general fund--state appropriation for fiscal  
20 year 2002 and \$529,000 of the general fund--state appropriation for  
21 fiscal year 2003 are provided solely for the displaced homemakers  
22 program.

23 (2) \$234,000 of the general fund--state appropriation for fiscal  
24 year 2002 and \$240,000 of the general fund--state appropriation for  
25 fiscal year 2003 are provided solely for the western interstate  
26 commission for higher education.

27 (3) \$1,000,000 of the general fund--state appropriation for fiscal  
28 year 2002 and \$1,000,000 of the general fund--state appropriation for  
29 fiscal year 2003 are provided solely for the health professional  
30 conditional scholarship and loan program under chapter 28B.115 RCW.  
31 This amount shall be deposited to the health professional loan  
32 repayment and scholarship trust fund to carry out the purposes of the  
33 program.

34 (4) \$1,000,000 of the general fund--state appropriations is  
35 provided solely to continue a demonstration project that enables  
36 classified public K-12 employees to become future teachers, subject to  
37 the following conditions and limitations:

1 (a) Within available funds, the board may renew and offer  
2 conditional scholarships of up to \$4,000 per year for full or part-time  
3 studies that may be forgiven in exchange for teaching service in  
4 Washington's public K-12 schools. In selecting loan recipients, the  
5 board shall take into account the applicant's demonstrated academic  
6 ability and commitment to serve as a teacher within the state of  
7 Washington.

8 (b) Loans shall be forgiven at the rate of one year of loan for two  
9 years of teaching service. Recipients who teach in geographic or  
10 subject-matter shortage areas, as specified by the office of the  
11 superintendent for public instruction, may have their loans forgiven at  
12 the rate of one year of loan for one year of teaching service;

13 (c) Recipients who fail to fulfill the required teaching service  
14 shall be required to repay the conditional loan with interest. The  
15 board shall define the terms for repayment, including applicable  
16 interest rates, fees and deferments, and may adopt other rules as  
17 necessary to implement this demonstration project.

18 (d) The board may deposit this appropriation and all collections  
19 into the student loan account authorized in RCW 28B.102.060.

20 (e) The board will provide the legislature and governor with  
21 findings about the impact of this demonstration project on persons  
22 entering the teaching profession in shortage areas by no later than  
23 January of 2002.

24 (5) \$75,000 of the general fund--state appropriation for fiscal  
25 year 2002 and \$75,000 of the general fund--state appropriation for  
26 fiscal year 2003 are provided solely for higher education student child  
27 care matching grants under chapter 28B.135 RCW.

28 (6) \$25,000 of the general fund--state appropriation for fiscal  
29 year 2002 and \$25,000 of the general fund--state appropriation for  
30 fiscal year 2003 are provided solely for the benefit of students who  
31 participate in college assistance migrant programs (CAMP) operating in  
32 Washington state. To ensure timely state aid, the board may establish  
33 a date after which no additional grants would be available for the  
34 2001-02 and 2002-03 academic years. The board shall disperse grants in  
35 equal amounts to eligible post-secondary institutions so that state  
36 money in all cases supplements federal CAMP awards.

37 (7) \$120,156,000 of the general fund--state appropriation for  
38 fiscal year 2002 and (~~(\$133,965,000)~~) \$135,521,000 of the general  
39 fund--state appropriation for fiscal year 2003 are provided solely for

1 student financial aid, including all administrative costs. Of these  
2 amounts:

3 (a) \$90,566,000 of the general fund--state appropriation for fiscal  
4 year 2002 and (~~(\$102,667,000)~~) \$104,718,000 of the general fund--state  
5 appropriation for fiscal year 2003 are provided solely for the state  
6 need grant program. After April 1 of each fiscal year, up to one  
7 percent of the annual appropriation for the state need grant program  
8 may be transferred to the state work study program. For the remainder  
9 of the 2001-03 biennium, the higher education coordinating board shall  
10 limit or suspend growth to individual state need grant levels to the  
11 extent necessary to ensure that students who meet the financial  
12 eligibility requirements of fifty-five percent of median family income  
13 are served;

14 (b) \$16,340,000 of the general fund--state appropriation for fiscal  
15 year 2002 and \$17,360,000 of the general fund--state appropriation for  
16 fiscal year 2003 are provided solely for the state work study program.  
17 After April 1 of each fiscal year, up to one percent of the annual  
18 appropriation for the state work study program may be transferred to  
19 the state need grant program. A maximum of 4 percent of the general  
20 fund--state amount in this subsection for fiscal year 2003 may be  
21 expended for state work study program administration;

22 (c) \$2,920,000 of the general fund--state appropriation for fiscal  
23 year 2002 and \$2,920,000 of the general fund--state appropriation for  
24 fiscal year 2003 are provided solely for educational opportunity  
25 grants. The board may deposit sufficient funds from its appropriation  
26 into the state education trust fund as established in RCW 28B.10.821 to  
27 provide a one-year renewal of the grant for each new recipient of the  
28 educational opportunity grant award. For the purpose of establishing  
29 eligibility for the equal opportunity grant program for placebound  
30 students under RCW 28B.101.020, Thurston county lies within the branch  
31 campus service area of the Tacoma branch campus of the University of  
32 Washington;

33 (d) A maximum of 2.1 percent of the general fund--state  
34 appropriation for fiscal year 2002 and (~~(2.1)~~) 1.8 percent of the  
35 general fund--state appropriation for fiscal year 2003, excluding  
36 appropriations provided for the work study program in (b) of this  
37 subsection, may be expended for financial aid administration(~~(7~~  
38 ~~excluding the 4 percent state work study program administrative~~  
39 ~~allowance provision))~~);

1 (e) \$1,241,000 of the general fund--state appropriation for fiscal  
2 year 2002 and \$1,428,000 of the general fund--state appropriation for  
3 fiscal year 2003 are provided solely to implement the Washington  
4 scholars program. Any Washington scholars program moneys not awarded  
5 by April 1st of each year may be transferred by the board to the  
6 Washington award for vocational excellence;

7 (f) \$588,000 of the general fund--state appropriation for fiscal  
8 year 2002 and \$589,000 of the general fund--state appropriation for  
9 fiscal year 2003 are provided solely to implement Washington award for  
10 vocational excellence program. Any Washington award for vocational  
11 program moneys not awarded by April 1st of each year may be transferred  
12 by the board to the Washington scholars program;

13 (g) \$251,000 of the general fund--state appropriation for fiscal  
14 year 2002 and \$251,000 of the general fund--state appropriation for  
15 fiscal year 2003 are provided solely for community scholarship matching  
16 grants of \$2,000 each. Of the amounts provided, no more than \$5,200  
17 each year is for the administration of the community scholarship  
18 matching grant program. To be eligible for the matching grant, a  
19 nonprofit community organization organized under section 501(c)(3) of  
20 the internal revenue code must demonstrate that it has raised \$2,000 in  
21 new moneys for college scholarships after the effective date of this  
22 act. An organization may receive more than one \$2,000 matching grant  
23 and preference shall be given to organizations affiliated with the  
24 citizens' scholarship foundation; and

25 (h) \$8,250,000 of the general fund--state appropriation for fiscal  
26 year 2002 and (~~(\$8,750,000)~~) \$7,550,000 of the general fund--state  
27 appropriation for fiscal year 2003 are provided solely for the  
28 Washington promise scholarship program subject to the following  
29 conditions and limitations:

30 (i) Within available funds, the higher education coordinating board  
31 shall award scholarships for use at accredited institutions of higher  
32 education in the state of Washington to as many students as possible  
33 from among those qualifying under (iv) of this subsection. Each  
34 qualifying student will receive two consecutive annual installments,  
35 the value of each not to exceed the full-time annual resident tuition  
36 rates charged by community colleges. Scholarships awarded to new  
37 recipients for the 2002-03 academic year shall not exceed one-thousand  
38 dollars per student.

1 (ii) Of the amounts provided, no more than \$260,000 each year is  
2 for administration of the Washington promise scholarship program.

3 (iii) Other than funds provided for program administration, the  
4 higher education coordinating board shall deposit all money received  
5 for the program in the Washington promise scholarship account, a  
6 nonappropriated fund in the custody of the state treasurer. The  
7 account shall be self-sustaining and consist of funds appropriated by  
8 the legislature for these scholarships, private contributions, and  
9 receipts from refunds of tuition and fees.

10 (iv) Scholarships in the 2001-03 biennium shall be awarded to  
11 students who graduate from high school or its equivalent whose family  
12 income does not exceed one hundred thirty-five percent of the state's  
13 median family income, adjusted for family size, if they meet any of the  
14 following academic criteria:

15 (A) Students graduating from public and approved private high  
16 schools under chapter 28A.195 RCW must be in the top fifteen percent of  
17 their graduating class, or must equal or exceed a cumulative scholastic  
18 assessment test score of 1200 on their first attempt;

19 (B) Students participating in home-based instruction as provided in  
20 chapter 28A.200 RCW must equal or exceed a cumulative scholastic  
21 assessment test score of 1200 on their first attempt.

22 (v) For students eligible under (iv) of this subsection, the  
23 superintendent of public instruction shall provide the higher education  
24 coordinating board with the names, addresses, and unique numeric  
25 identifiers of students in the top fifteen percent or who meet the  
26 scholastic aptitude test score requirement, as appropriate in each of  
27 the respective high school senior or home based instruction classes in  
28 Washington state. This shall be provided no later than October 1 of  
29 each year.

30 (vi) Scholarships awarded under this section may only be used at  
31 accredited institutions of higher education in the state of Washington  
32 for college-related expenses, including but not limited to, tuition,  
33 room and board, books, materials, and transportation. The Washington  
34 promise scholarship award shall not supplant other scholarship awards,  
35 financial aid, or tax programs related to postsecondary education.  
36 Scholarships may not be transferred or refunded to students.

37 (vii) The higher education coordinating board shall evaluate the  
38 impact and effectiveness of the Washington promise scholarship program.  
39 The evaluation shall include, but not be limited to: (A) An analysis

1 of other financial assistance promise scholarship recipients are  
2 receiving through other federal, state, and institutional programs,  
3 including grants, work study, tuition waivers, tax credits, and loan  
4 programs; (B) an analysis of whether the implementation of the promise  
5 scholarship program has had an impact on student indebtedness; and (C)  
6 an evaluation of what types of students are successfully completing  
7 high school but do not have the financial ability to attend college  
8 because they cannot obtain financial aid or the financial aid is  
9 insufficient. The board shall report its findings to the governor and  
10 the legislature by December 1, 2002.

11 (viii) The higher education coordinating board may adopt rules as  
12 necessary to implement this program.

13 **Sec. 612.** 2001 2nd sp.s. c 7 s 612 (uncodified) is amended to read  
14 as follows:

15 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

16 General Fund--State Appropriation (FY 2002) . . . \$	1,762,000
17 General Fund--State Appropriation (FY 2003) . . . \$	<del>((1,720,000))</del>
18	<u>1,668,000</u>
19 General Fund--Federal Appropriation . . . . . \$	44,987,000
20 TOTAL APPROPRIATION . . . . . \$	<del>((48,469,000))</del>
21	<u>48,417,000</u>

22 The appropriations in this section are subject to the following  
23 conditions and limitations: \$500,000 of the general fund--state  
24 appropriation for fiscal year 2002 and \$500,000 of the general fund--  
25 state appropriation for fiscal year 2003 are provided solely for the  
26 operations and development of the inland northwest technology education  
27 center (INTEC) as a regional resource and model for the rapid  
28 deployment of skilled workers trained in the latest technologies for  
29 Washington. The board shall serve as an advisor to and fiscal agent  
30 for INTEC, and will report back to the governor and legislature by  
31 September 2002 as to the progress and future steps for INTEC as this  
32 new public-private partnership evolves.

33 **Sec. 613.** 2001 2nd sp.s. c 7 s 613 (uncodified) is amended to read  
34 as follows:

35 **FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**

36 General Fund--State Appropriation (FY 2002) . . . \$	<del>((1,500,000))</del>
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1			<u>1,499,000</u>
2	General Fund--State Appropriation (FY 2003) . . . \$		(( <del>1,500,000</del> ))
3			<u>997,000</u>
4	TOTAL APPROPRIATION . . . . . \$		(( <del>3,000,000</del> ))
5			<u>2,496,000</u>

6       **Sec. 614.** 2001 2nd sp.s. c 7 s 614 (uncodified) is amended to read  
7 as follows:

8 **FOR WASHINGTON STATE LIBRARY**

9	General Fund--State Appropriation (FY 2002) . . . \$		8,791,000
10	General Fund--State Appropriation (FY 2003) . . . \$		(( <del>8,786,000</del> ))
11			<u>3,209,000</u>
12	General Fund--Federal Appropriation . . . . . \$		6,976,000
13	TOTAL APPROPRIATION . . . . . \$		(( <del>24,553,000</del> ))
14			<u>18,976,000</u>

15       The appropriations in this section are subject to the following  
16 conditions and limitations: At least \$2,700,000 shall be expended for  
17 a contract with the Seattle public library for library services for the  
18 Washington book and braille library.

19       **Sec. 615.** 2001 2nd sp.s. c 7 s 615 (uncodified) is amended to read  
20 as follows:

21 **FOR THE WASHINGTON STATE ARTS COMMISSION**

22	General Fund--State Appropriation (FY 2002) . . . \$		2,873,000
23	General Fund--State Appropriation (FY 2003) . . . \$		(( <del>2,874,000</del> ))
24			<u>2,788,000</u>
25	General Fund--Federal Appropriation . . . . . \$		1,000,000
26	<u>General Fund--Private/Local Appropriation . . . . . \$</u>		<u>3,000</u>
27	TOTAL APPROPRIATION . . . . . \$		(( <del>6,747,000</del> ))
28			<u>6,664,000</u>

29       **Sec. 616.** 2001 2nd sp.s. c 7 s 616 (uncodified) is amended to read  
30 as follows:

31 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

32	General Fund--State Appropriation (FY 2002) . . . \$		2,899,000
33	General Fund--State Appropriation (FY 2003) . . . \$		(( <del>3,129,000</del> ))
34			<u>3,035,000</u>
35	TOTAL APPROPRIATION . . . . . \$		(( <del>6,028,000</del> ))

1 5,934,000

2 The appropriations in this section are subject to the following  
3 conditions and limitations: \$90,000 of the general fund--state  
4 appropriation for fiscal year 2002 and \$285,000 of the general fund--  
5 state appropriation for fiscal year 2003 are provided solely for  
6 activities related to the Lewis and Clark Bicentennial.

7 **Sec. 617.** 2001 2nd sp.s. c 7 s 617 (uncodified) is amended to read  
8 as follows:

9 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

10	General Fund--State Appropriation (FY 2002) . . . \$	1,674,000
11	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>1,535,000</del> ))
12		<u>1,489,000</u>
13	TOTAL APPROPRIATION . . . . . \$	(( <del>3,209,000</del> ))
14		<u>3,163,000</u>

15 **Sec. 618.** 2001 2nd sp.s. c 7 s 618 (uncodified) is amended to read  
16 as follows:

17 **FOR THE STATE SCHOOL FOR THE BLIND**

18	General Fund--State Appropriation (FY 2002) . . . \$	4,520,000
19	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>4,591,000</del> ))
20		<u>4,523,000</u>
21	General Fund--Private/Local Appropriation . . . \$	(( <del>1,173,000</del> ))
22		<u>1,254,000</u>
23	TOTAL APPROPRIATION . . . . . \$	(( <del>10,284,000</del> ))
24		<u>10,297,000</u>

25 **Sec. 619.** 2001 2nd sp.s. c 7 s 619 (uncodified) is amended to read  
26 as follows:

27 **FOR THE STATE SCHOOL FOR THE DEAF**

28	General Fund--State Appropriation (FY 2002) . . . \$	7,395,000
29	General Fund--State Appropriation (FY 2003) . . . \$	(( <del>7,439,000</del> ))
30		<u>7,538,000</u>
31	General Fund--Private/Local Appropriation . . . \$	232,000



1 TOTAL APPROPRIATION . . . . . \$ ((15,066,000))  
2 15,165,000

3 The appropriations in this section are subject to the following  
4 conditions and limitations: \$250,000 of the general fund--state  
5 appropriation for fiscal year 2003 is provided solely for additional  
6 staffing and other student safety measures at the school. The school  
7 will hire six additional staff, increase staff communications and  
8 accessibility, and implement a training program to enhance staff  
9 members' abilities to work with at-risk youth.

10 (End of part)

PART VII  
SPECIAL APPROPRIATIONS

**Sec. 701.** 2001 2nd sp.s. c 7 s 701 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2002) . . . . .	\$ (( <del>629,097,000</del> ))
	<u>584,097,000</u>
General Fund--State Appropriation (FY 2003) . . . . .	\$ (( <del>567,290,000</del> ))
	<u>612,290,000</u>
State Building Construction Account--State Appropriation . . . . .	\$ (( <del>11,351,000</del> ))
	<u>7,999,000</u>
<u>State Taxable Building Construction Account--</u> <u>State Appropriation . . . . .</u>	<u>\$ 496,000</u>
Debt-Limit Reimbursable Bond Retire Account-- State Appropriation . . . . .	\$ 2,591,000
TOTAL APPROPRIATION . . . . .	\$ (( <del>1,210,329,000</del> ))
	<u>1,207,473,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2002 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2002.

**Sec. 702.** 2001 2nd sp.s. c 7 s 702 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account-- State Appropriation . . . . .	\$ (( <del>39,950,000</del> ))
	<u>29,249,000</u>
Accident Account--State Appropriation . . . . .	\$ (( <del>5,590,000</del> ))
	<u>5,096,000</u>

1	Medical Aid Account--State Appropriation . . .	\$	((5,590,000))
2			<u>5,096,000</u>
3	TOTAL APPROPRIATION . . . . .	\$	((51,130,000))
4			<u>39,441,000</u>

5       **Sec. 703.** 2001 2nd sp.s. c 7 s 703 (uncodified) is amended to read  
6 as follows:

7 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**  
8 **REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE**  
9 **REIMBURSED AS PRESCRIBED BY STATUTE**

10	General Fund--State Appropriation (FY 2002) . .	\$	24,542,000
11	General Fund--State Appropriation (FY 2003) . .	\$	26,706,000
12	Capitol Historic District Construction		
13	Account--State Appropriation . . . . .	\$	454,000
14	Higher Education Construction Account--State		
15	Appropriation . . . . .	\$	((815,000))
16			<u>499,000</u>
17	State Higher Education Construction Account--		
18	State Appropriation . . . . .	\$	((348,000))
19			<u>50,000</u>
20	State Vehicle Parking Account--State		
21	Appropriation . . . . .	\$	((35,000))
22			<u>100,000</u>
23	Nondebt-Limit Reimbursable Bond Retirement Account--		
24	State Appropriation . . . . .	\$	128,043,000
25	TOTAL APPROPRIATION . . . . .	\$	((180,943,000))
26			<u>180,394,000</u>

27       The appropriations in this section are subject to the following  
28 conditions and limitations: The general fund appropriation is for  
29 deposit into the nondebt-limit general fund bond retirement account.

30       **Sec. 704.** 2001 2nd sp.s. c 7 s 704 (uncodified) is amended to read  
31 as follows:

32 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**  
33 **REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

34	General Fund--State Appropriation (FY 2002) . .	\$	567,000
35	General Fund--State Appropriation (FY 2003) . .	\$	568,000
36	Higher Education Construction Account--State		

1	Appropriation . . . . .	\$	77,000
2	State Higher Education Construction Account--		
3	State Appropriation . . . . .	\$	42,000
4	State Building Construction Account--State		
5	Appropriation . . . . .	\$	1,488,000
6	State Vehicle Parking Account--State		
7	Appropriation . . . . .	\$	((5,000))
8			<u>10,000</u>
9	Capitol Historic District Construction		
10	Account--State Appropriation . . . . .	\$	130,000
11	<u>State Taxable Building Construction Account--</u>		
12	<u>State Appropriation . . . . .</u>	<u>\$</u>	<u>50,000</u>
13	TOTAL APPROPRIATION . . . . .	\$	((2,877,000))
14			<u>2,932,000</u>

15       **Sec. 705.** 2001 2nd sp.s. c 7 s 705 (uncodified) is amended to read  
16 as follows:

17 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EMERGENCY FUND**

18	General Fund--State Appropriation (FY 2002) . . . . .	\$	850,000
19	General Fund--State Appropriation (FY 2003) . . . . .	\$	((850,000))
20			<u>7,850,000</u>
21	TOTAL APPROPRIATION . . . . .	\$	((1,700,000))
22			<u>8,700,000</u>

23       The appropriations in this section are subject to the following  
24 conditions and limitations: The appropriations in this section are for  
25 the governor's emergency fund to be used for mitigation funding for  
26 jurisdictions affected by the placement of less restrictive alternative  
27 facilities for persons conditionally released from the special  
28 commitment center and for the critically necessary work of any agency.

29       **Sec. 706.** 2001 2nd sp.s. c 7 s 706 (uncodified) is amended to read  
30 as follows:

31       **FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL.** The  
32 sum of ((three million dollars)) \$35,983,000, or so much thereof as may  
33 be available on June 30, 2001, from the total amount of unspent fiscal  
34 year 2001 fire contingency funding in the disaster response account and  
35 the moneys appropriated to the disaster response account in section 707  
36 of this act, is appropriated for the purpose of making allocations to

1 the military department for fire mobilizations costs or to the  
 2 department of natural resources for fire suppression costs. Of this  
 3 amount, \$24,009,000 shall be provided to the department of natural  
 4 resources, \$135,000 shall be provided to the state parks and recreation  
 5 commission, and \$60,000 shall be provided to the department of fish and  
 6 wildlife, for costs of fire suppression during the 2001 fire season.

7 **Sec. 707.** 2001 2nd sp.s. c 7 s 708 (uncodified) is amended to read  
 8 as follows:

9 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**  
 10 **COSTS**

11 Public Safety and Education--State  
 12 Appropriation . . . . . \$ ((~~975,000~~))  
 13 1,325,000

14 The appropriation in this section is subject to the following  
 15 conditions and limitations: The director of financial management shall  
 16 distribute the appropriation to the following counties in the amounts  
 17 designated for extraordinary criminal justice costs:

18	Cowlitz . . . . .	\$	89,000
19	Franklin . . . . .	\$	(( <del>303,000</del> ))
20			<u>653,000</u>
21	Klickitat . . . . .	\$	45,000
22	Skagit . . . . .	\$	102,000
23	Spokane . . . . .	\$	192,000
24	Thurston . . . . .	\$	122,000
25	Yakima . . . . .	\$	121,000
26			-----
27	TOTAL . . . . .	\$	(( <del>975,000</del> ))
28			<u>1,325,000</u>

29 **Sec. 708.** 2001 2nd sp.s. c 7 s 716 (uncodified) is amended to read  
 30 as follows:

31 **FOR THE GOVERNOR--COMPENSATION--INSURANCE BENEFITS**

32	General Fund--State Appropriation (FY 2002) . .	\$	7,218,000
33	General Fund--State Appropriation (FY 2003) . .	\$	(( <del>19,947,000</del> ))
34			<u>7,031,000</u>
35	General Fund--Federal Appropriation . . . . .	\$	(( <del>8,692,000</del> ))
36			<u>5,343,000</u>

1	General Fund--Private/Local Appropriation . . .	\$	((456,000))
2			<u>148,000</u>
3	Salary and Insurance Increase Revolving Account		
4	Appropriation . . . . .	\$	((19,468,000))
5			<u>10,660,000</u>
6	TOTAL APPROPRIATION . . . . .	\$	((55,781,000))
7			<u>30,400,000</u>

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

10       (1)(a) The monthly employer funding rate for insurance benefit  
11 premiums, public employees' benefits board administration, and the  
12 uniform medical plan, shall not exceed \$457.29 per eligible employee  
13 for fiscal year 2002, and ((~~\$497.69~~)) \$461.17 for fiscal year 2003.

14       (b) Within the rates in (a) of this subsection, \$2.02 per eligible  
15 employee shall be included in the employer funding rate for fiscal year  
16 2002, and \$4.10 per eligible employee shall be included in the employer  
17 funding rate for fiscal year 2003, solely to increase life insurance  
18 coverage in accordance with a court approved settlement in *Burbage et*  
19 *al. v. State of Washington* (Thurston county superior court cause no.  
20 94-2-02560-8).

21       (c) In order to achieve the level of funding provided for health  
22 benefits, the public employees' benefits board shall require any or all  
23 of the following: Employee premium copayments, increases in point-of-  
24 service cost sharing, the implementation of managed competition, or  
25 make other changes to benefits consistent with RCW 41.05.065.

26       (d) The health care authority shall deposit any moneys received on  
27 behalf of the uniform medical plan as a result of rebates on  
28 prescription drugs, audits of hospitals, subrogation payments, or any  
29 other moneys recovered as a result of prior uniform medical plan claims  
30 payments, into the public employees' and retirees' insurance account to  
31 be used for insurance benefits. Such receipts shall not be used for  
32 administrative expenditures.

33       (2) To facilitate the transfer of moneys from dedicated funds and  
34 accounts, the state treasurer is directed to transfer sufficient moneys  
35 from each dedicated fund or account to the special fund salary and  
36 insurance contribution increase revolving fund in accordance with  
37 schedules provided by the office of financial management.

1 (3) The health care authority, subject to the approval of the  
2 public employees' benefits board, shall provide subsidies for health  
3 benefit premiums to eligible retired or disabled public employees and  
4 school district employees who are eligible for parts A and B of  
5 medicare, pursuant to RCW 41.05.085. From January 1, 2002, through  
6 December 31, 2002, the subsidy shall be \$85.84. Starting January 1,  
7 2003, the subsidy shall be \$102.55 per month.

8 (4) Technical colleges, school districts, and educational service  
9 districts shall remit to the health care authority for deposit into the  
10 public employees' and retirees' insurance account established in RCW  
11 41.05.120 the following amounts:

12 (a) For each full-time employee, \$32.41 per month beginning  
13 September 1, 2001, and (~~(\$37.48)~~) \$37.06 beginning September 1, 2002;

14 (b) For each part-time employee who, at the time of the remittance,  
15 is employed in an eligible position as defined in RCW 41.32.010 or  
16 41.40.010 and is eligible for employer fringe benefit contributions for  
17 basic benefits, \$32.41 each month beginning September 1, 2001, and  
18 (~~(\$37.48)~~) \$37.06 beginning September 1, 2002, prorated by the  
19 proportion of employer fringe benefit contributions for a full-time  
20 employee that the part-time employee receives.

21 The remittance requirements specified in this subsection shall not  
22 apply to employees of a technical college, school district, or  
23 educational service district who purchase insurance benefits through  
24 contracts with the health care authority.

25 (5) The salary and insurance increase revolving account  
26 appropriation includes amounts sufficient to fund health benefits for  
27 ferry workers at the premium levels specified in subsection (1) of this  
28 section, consistent with the 2001-2003 transportation appropriations  
29 act.

30 **Sec. 709.** 2001 2nd sp.s. c 7 s 717 (uncodified) is amended to read  
31 as follows:

32 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO**  
33 **RETIREMENT SYSTEMS.** The appropriations in this section are subject to  
34 the following conditions and limitations: The appropriations for the  
35 law enforcement officers' and firefighters' retirement system shall be  
36 made on a monthly basis beginning July 1, 2001, consistent with chapter  
37 41.45 RCW, and the appropriations for the judges and judicial

1 retirement systems shall be made on a quarterly basis consistent with  
2 chapters 2.10 and 2.12 RCW.

3 (1) There is appropriated for state contributions to the law  
4 enforcement officers' and fire fighters' retirement system:

5	General Fund--State Appropriation (FY 2002) . . . \$	((15,552,000))
6		<u>15,437,000</u>
7	General Fund--State Appropriation (FY 2003) . . . \$	((16,668,000))
8		<u>16,208,000</u>

9 The appropriations in this subsection are subject to the following  
10 conditions and limitations: The appropriations include reductions to  
11 reflect savings resulting from the implementation of state pension  
12 contribution rates effective ((~~July 1, 2001~~)) April 1, 2002, as  
13 provided in ((~~Senate Bill No. 6167 or~~)) House Bill No. ((~~2236~~)) 2782.

14 (2) There is appropriated for contributions to the judicial  
15 retirement system:

16	General Fund--State Appropriation (FY 2002) . . . \$	6,000,000
17	General Fund--State Appropriation (FY 2003) . . . \$	6,000,000

18 (3) There is appropriated for contributions to the judges  
19 retirement system:

20	General Fund--State Appropriation (FY 2002) . . . \$	250,000
21	General Fund--State Appropriation (FY 2003) . . . \$	250,000
22	TOTAL APPROPRIATION . . . . . \$	((44,720,000))
23		<u>44,145,000</u>

24 NEW SECTION. Sec. 710. A new section is added to 2001 2nd sp.s.  
25 c 7 (uncodified) to read as follows:

26 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--PENSION SAVINGS.** The  
27 office of financial management shall reduce the allotments for agencies  
28 of the state by \$1,208,000 from the general fund--state fiscal year  
29 2002 appropriations, \$4,929,000 from the general fund--state fiscal  
30 year 2003 appropriations, \$1,606,000 from the general fund--federal  
31 2001-03 appropriations, \$148,000 from the general fund--private/local  
32 2001-03 appropriations, and \$4,326,000 from other funds 2001-03  
33 allotments in accordance with House Bill No. 2782 (actuarial experience  
34 study).





1 percent salary increase effective July 1, 2001, and a 2.0 percent  
2 salary increase effective September 1, 2002, for ferry workers  
3 consistent with the 2001-03 transportation appropriations act. ((Funds  
4 are also provided for salary increases for ferry workers on July 1,  
5 2002, in a percentage amount to be determined by the 2002  
6 legislature.))

7 (4)(a) No salary increase may be paid under this section to any  
8 person whose salary has been Y-rated pursuant to rules adopted by the  
9 personnel resources board.

10 (b) The average salary increases paid under this section to agency  
11 officials whose maximum salaries are established by the committee on  
12 agency official salaries shall not exceed the average increases  
13 provided by subsection (2) of this section.

14 **Sec. 712.** 2001 2nd sp.s. c 7 s 720 (uncodified) is amended to read  
15 as follows:

16 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION TECHNOLOGY REVOLVING**  
17 **ACCOUNT**

18	General Fund--State Appropriation (FY 2002)	. . . \$	11,264,000
19	((General Fund--State Appropriation (FY 2003))	. . . \$	11,264,000)
20	<del>TOTAL APPROPRIATION</del>	. . . . .	<del>\$ 22,528,000)</del>

21 The appropriation((s)) in this section ((are)) is subject to the  
22 following conditions and limitations:

23 (1) The appropriation((s)) in this section ((are)) is for  
24 appropriation to the education technology revolving account for the  
25 purpose of covering operational and transport costs incurred by the K-  
26 20 educational network program in providing telecommunication services  
27 to network participants.

28 (2) Use of these moneys to connect public libraries are limited to  
29 public libraries which have in place a policy of internet safety  
30 applied to publicly available computers with internet access via the K-  
31 20 educational network that protects against access to visual  
32 depictions that are (a) obscene under chapter 9.68 RCW; or (b) sexual  
33 exploitation of children under chapter 9.68A RCW.

34 **Sec. 713.** 2001 2nd sp.s. c 7 s 722 (uncodified) is amended to read  
35 as follows:



1 Bill No. 2914 (state financial aid account) is enacted by June 30,  
2 2002.

3 (3) The remainder of the total amount, not to exceed seventy-five  
4 million dollars, is appropriated to the education savings account.

5 ~~((3))~~ (4) For purposes of this section, the total amount of  
6 unspent state general fund appropriations does not include the  
7 appropriations made in this section or any amounts included in across-  
8 the-board allotment reductions under RCW 43.88.110.

9 **Sec. 715.** 2001 2nd sp.s. c 7 s 724 (uncodified) is amended to read  
10 as follows:

11 **INCENTIVE SAVINGS--FY 2003.** The sum of one hundred million dollars  
12 or so much thereof as may be available on June 30, 2003, from the total  
13 amount of unspent fiscal year 2003 state general fund appropriations is  
14 appropriated for the purposes of RCW 43.79.460 in the manner provided  
15 in this section.

16 (1) Of the total appropriated amount, one-half of that portion that  
17 is attributable to incentive savings, not to exceed twenty-five million  
18 dollars, is appropriated to the savings incentive account for the  
19 purpose of improving the quality, efficiency, and effectiveness of  
20 agency services, and credited to the agency that generated the savings.

21 (2) Of the total appropriated amount, any amount attributable to  
22 unspent general fund--state appropriations in the state need grant  
23 program, the state work study program, the Washington scholars program,  
24 and the Washington award for vocational excellence program is  
25 appropriated to the state financial aid account if Substitute House  
26 Bill No. 2914 (state financial aid account) is enacted by June 30,  
27 2002.

28 (3) The remainder of the total amount, not to exceed seventy-five  
29 million dollars, is appropriated to the education savings account.

30 ~~((3))~~ (4) For purposes of this section, the total amount of  
31 unspent state general fund appropriations does not include the  
32 appropriations made in this section or any amounts included in across-  
33 the-board allotment reductions under RCW 43.88.110.

34 NEW SECTION. **Sec. 716.** A new section is added to 2001 2nd sp.s.  
35 c 7 (uncodified) to read as follows:

36 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--**  
37 **COUNTY ASSISTANCE**

1	General Fund--State Appropriation (FY 2003) . . .	\$	1,392,000
2	TOTAL APPROPRIATION . . . . .	\$	1,392,000

3 The appropriation in this section is subject to the following  
4 conditions and limitations: The director of community, trade, and  
5 economic development shall distribute the appropriation in this section  
6 to the following counties in the amounts designated:

7	Asotin County . . . . .	\$	7,000
8	Columbia County . . . . .	\$	286,000
9	Ferry County . . . . .	\$	199,000
10	Garfield County . . . . .	\$	291,000
11	Lincoln County . . . . .	\$	151,000
12	Pend Oreille County . . . . .	\$	143,000
13	Skamania County . . . . .	\$	56,000
14	Wahkiakum County . . . . .	\$	259,000
15	TOTAL . . . . .	\$	1,392,000

16 **Sec. 717.** 2001 2nd sp.s. c 7 s 727 (uncodified) is amended to read  
17 as follows:

18 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--**  
19 **COUNTY CORPORATION ASSISTANCE**

20	General Fund--State Appropriation (FY 2002) . . .	\$	24,410,534
21	<del>((General Fund--State Appropriation (FY 2003) . . .</del>	<del>\$</del>	<del>25,137,970</del>
22	<del>-----TOTAL APPROPRIATION . . . . .</del>	<del>\$</del>	<del>49,548,504</del> )

23 The appropriation(~~(s)~~) in this section (~~(are)~~) is subject to the  
24 following conditions and limitations:

25 (1)(a) The department shall withhold distributions under subsection  
26 (2) of this section to any county that has not paid its fifty percent  
27 share of the employer contribution on behalf of superior court judges  
28 for insurance and health care plans and federal social security and  
29 medicare and medical aid benefits for the fiscal year. As required by  
30 Article IV, section 13 of the state Constitution and 1996 Attorney  
31 General's Opinion No. 2, it is the intent of the legislature that the  
32 costs of these employer contributions shall be shared equally between  
33 the state and county or counties in which the judges serve.

34 (b) After receiving written notification from the office of the  
35 administrator for the courts that a county has paid its fifty percent  
36 share as required under (a) of this subsection, the department shall

1 distribute the amount designated for the fiscal year under subsection  
 2 (2) of this section.

3 (2) The director of community, trade, and economic development  
 4 shall distribute the appropriations to the following counties in the  
 5 amounts designated:

6			((2001-03))
7	<b>County</b>	<b>FY 2002</b>	<b>((FY 2003 ----- Biennium))</b>
8	Adams	290,303	((295,993 ----- 586,296))
9	Asotin	422,074	((434,598 ----- 856,672))
10	Benton	966,480	((999,163 ----- 1,965,643))
11	Chelan	637,688	((651,982 ----- 1,289,670))
12	Clallam	444,419	((454,391 ----- 898,810))
13	Clark	641,571	((678,997 ----- 1,320,568))
14	Columbia	561,888	((572,901 ----- 1,134,789))
15	Cowlitz	771,879	((795,808 ----- 1,567,687))
16	Douglas	505,585	((528,184 ----- 1,033,769))
17	Ferry	389,909	((397,551 ----- 787,460))
18	Franklin	442,624	((464,018 ----- 906,642))
19	Garfield	571,303	((582,501 ----- 1,153,804))
20	Grant	579,631	((604,072 ----- 1,183,703))
21	Grays Harbor	540,315	((550,905 ----- 1,091,220))
22	Island	483,589	((503,205 ----- 986,794))
23	Jefferson	239,914	((249,924 ----- 489,838))
24	King	2,661,862	((2,720,716 ----- 5,382,578))
25	Kitsap	469,992	((480,178 ----- 950,170))
26	Kittitas	366,971	((383,027 ----- 749,998))
27	Klickitat	204,726	((217,555 ----- 422,281))
28	Lewis	583,702	((598,004 ----- 1,181,706))
29	Lincoln	290,754	((302,151 ----- 592,905))
30	Mason	905,060	((930,959 ----- 1,836,019))
31	Okanogan	548,848	((560,332 ----- 1,109,180))
32	Pacific	344,047	((350,790 ----- 694,837))
33	Pend Oreille	280,342	((285,837 ----- 566,179))
34	Pierce	1,246,530	((1,284,087 ----- 2,530,617))
35	San Juan	85,712	((91,859 ----- 177,571))
36	Skagit	911,491	((944,914 ----- 1,856,405))
37	Skamania	172,840	((176,228 ----- 349,068))
38	Snohomish	1,017,209	((1,058,571 ----- 2,075,780))
39	Spokane	804,124	((823,359 ----- 1,627,483))
40	Stevens	811,482	((835,598 ----- 1,647,080))
41	Thurston	1,031,888	((1,061,579 ----- 2,093,467))
42	Wahkiakum	507,528	((517,476 ----- 1,025,004))
43	Walla Walla	241,341	((247,105 ----- 488,446))
44	Whatcom	408,025	((429,069 ----- 837,094))
45	Whitman	134,870	((138,191 ----- 273,061))
46	Yakima	1,892,018	((1,936,192 ----- 3,828,210))
47	<b>TOTAL APPROPRIATIONS</b>	<b>24,410,534</b>	<b>((25,137,970 ----- 49,548,504))</b>

48 **Sec. 718.** 2001 2nd sp.s. c 7 s 728 (uncodified) is amended to read  
 49 as follows:

50 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--**  
 51 **MUNICIPAL CORPORATION ASSISTANCE**

1 General Fund--State Appropriation (FY 2002) . . . \$ 45,884,610  
 2 (~~General Fund--State Appropriation (FY 2003)~~ . . . ~~\$ 47,251,839~~  
 3 ~~TOTAL APPROPRIATION~~ . . . . . ~~\$ 93,136,449~~)

4 The appropriation(~~s~~) in this section (~~are~~) is subject to the  
 5 following conditions and limitations:

6 (1) The director of community, trade, and economic development  
 7 shall distribute the appropriation to the following cities and  
 8 municipalities in the amounts designated:

9			(2001-03)
10	City	FY 2002	<del>(FY 2003</del> <del>Biennium)</del>
11	Aberdeen	119,986	<del>((123,562 243,548))</del>
12	Airway Heights	111,259	<del>((114,575 225,834))</del>
13	Albion	66,339	<del>((68,316 134,655))</del>
14	Algona	32,672	<del>((33,646 66,318))</del>
15	Almira	12,519	<del>((12,892 25,411))</del>
16	Anacortes	70,930	<del>((73,044 143,974))</del>
17	Arlington	42,344	<del>((43,606 85,950))</del>
18	Asotin	57,623	<del>((59,340 116,963))</del>
19	Auburn	192,405	<del>((198,139 390,544))</del>
20	Bainbridge Island	293,851	<del>((302,608 596,459))</del>
21	Battle Ground	118,303	<del>((121,828 240,131))</del>
22	Beaux Arts	1,784	<del>((1,837 3,621))</del>
23	Bellevue	524,203	<del>((539,824 1,064,027))</del>
24	Bellingham	369,121	<del>((380,121 749,242))</del>
25	Benton City	111,380	<del>((114,699 226,079))</del>
26	Bingen	6,602	<del>((6,799 13,401))</del>
27	Black Diamond	254,698	<del>((262,288 516,986))</del>
28	Blaine	20,853	<del>((21,474 42,327))</del>
29	Bonney Lake	158,738	<del>((163,468 322,206))</del>
30	Bothell	137,270	<del>((141,361 278,631))</del>
31	Bremerton	214,020	<del>((220,398 434,418))</del>
32	Brewster	11,250	<del>((11,585 22,835))</del>
33	Bridgeport	188,216	<del>((193,825 382,041))</del>
34	Brier	532,011	<del>((547,865 1,079,876))</del>
35	Buckley	68,227	<del>((70,260 138,487))</del>
36	Bucoda	52,876	<del>((54,452 107,328))</del>
37	Burien	284,265	<del>((292,736 577,001))</del>
38	Burlington	27,407	<del>((28,224 55,631))</del>
39	Camas	53,654	<del>((55,253 108,907))</del>
40	Carbonado	56,785	<del>((58,477 115,262))</del>
41	Carnation	9,593	<del>((9,879 19,472))</del>
42	Cashmere	120,801	<del>((124,401 245,202))</del>
43	Castle Rock	29,980	<del>((30,873 60,853))</del>
44	Cathlamet	6,265	<del>((6,452 12,717))</del>
45	Centralia	101,426	<del>((104,448 205,874))</del>
46	Chehalis	34,601	<del>((35,632 70,233))</del>
47	Chelan	19,515	<del>((20,097 39,612))</del>
48	Cheney	314,316	<del>((323,683 637,999))</del>
49	Chewelah	66,731	<del>((68,720 135,451))</del>
50	Clarkston	83,910	<del>((86,411 170,321))</del>
51	Cle Elum	8,692	<del>((8,951 17,643))</del>
52	Clyde Hill	136,778	<del>((140,854 277,632))</del>
53	Colfax	74,672	<del>((76,897 151,569))</del>

1	College Place	526,480	<del>((542,169</del> <del>1,068,649))</del>
2	Colton	27,473	<del>((28,292</del> <del>55,765))</del>
3	Colville	23,389	<del>((24,086</del> <del>47,475))</del>
4	Conconully	13,675	<del>((14,083</del> <del>27,758))</del>
5	Concrete	27,006	<del>((27,811</del> <del>54,817))</del>
6	Connell	164,950	<del>((169,866</del> <del>334,816))</del>
7	Cosmopolis	15,395	<del>((15,854</del> <del>31,249))</del>
8	Coulee City	2,804	<del>((2,888</del> <del>5,692))</del>
9	Coulee Dam	61,408	<del>((63,238</del> <del>124,646))</del>
10	Coupeville	7,708	<del>((7,938</del> <del>15,646))</del>
11	Covington	690,851	<del>((711,438</del> <del>1,402,289))</del>
12	Creston	12,905	<del>((13,290</del> <del>26,195))</del>
13	Cusick	9,341	<del>((9,619</del> <del>18,960))</del>
14	Darrington	59,838	<del>((61,621</del> <del>121,459))</del>
15	Davenport	66,350	<del>((68,327</del> <del>134,677))</del>
16	Dayton	92,685	<del>((95,447</del> <del>188,132))</del>
17	Deer Park	16,059	<del>((16,538</del> <del>32,597))</del>
18	Des Moines	1,482,120	<del>((1,526,287</del> <del>3,008,407))</del>
19	Dupont	8,109	<del>((8,351</del> <del>16,460))</del>
20	Duvall	66,128	<del>((68,099</del> <del>134,227))</del>
21	East Wenatchee	30,678	<del>((31,592</del> <del>62,270))</del>
22	Eatonville	8,848	<del>((9,112</del> <del>17,960))</del>
23	Edgewood	901,766	<del>((928,639</del> <del>1,830,405))</del>
24	Edmonds	456,336	<del>((469,935</del> <del>926,271))</del>
25	Electric City	87,243	<del>((89,843</del> <del>177,086))</del>
26	Ellensburg	81,982	<del>((84,425</del> <del>166,407))</del>
27	Elma	84,676	<del>((87,199</del> <del>171,875))</del>
28	Elmer City	29,811	<del>((30,699</del> <del>60,510))</del>
29	Endicott	28,758	<del>((29,615</del> <del>58,373))</del>
30	Entiat	58,244	<del>((59,980</del> <del>118,224))</del>
31	Enumclaw	53,013	<del>((54,593</del> <del>107,606))</del>
32	Ephrata	59,987	<del>((61,775</del> <del>121,762))</del>
33	Everett	495,428	<del>((510,192</del> <del>1,005,620))</del>
34	Everson	67,517	<del>((69,529</del> <del>137,046))</del>
35	Fairfield	18,540	<del>((19,092</del> <del>37,632))</del>
36	Farmington	12,072	<del>((12,432</del> <del>24,504))</del>
37	Federal Way	470,179	<del>((484,190</del> <del>954,369))</del>
38	Ferndale	74,669	<del>((76,894</del> <del>151,563))</del>
39	Fife	25,411	<del>((26,168</del> <del>51,579))</del>
40	Fircrest	386,146	<del>((397,653</del> <del>783,799))</del>
41	Forks	110,712	<del>((114,011</del> <del>224,723))</del>
42	Friday Harbor	9,791	<del>((10,083</del> <del>19,874))</del>
43	Garfield	45,263	<del>((46,612</del> <del>91,875))</del>
44	George	19,319	<del>((19,895</del> <del>39,214))</del>
45	Gig Harbor	31,615	<del>((32,557</del> <del>64,172))</del>
46	Gold Bar	134,531	<del>((138,540</del> <del>273,071))</del>
47	Goldendale	49,519	<del>((50,995</del> <del>100,514))</del>
48	Grand Coulee	5,805	<del>((5,978</del> <del>11,783))</del>
49	Grandview	256,347	<del>((263,986</del> <del>520,333))</del>
50	Granger	173,094	<del>((178,252</del> <del>351,346))</del>
51	Granite Falls	10,946	<del>((11,272</del> <del>22,218))</del>
52	Hamilton	17,437	<del>((17,957</del> <del>35,394))</del>
53	Harrah	46,947	<del>((48,346</del> <del>95,293))</del>
54	Harrington	18,107	<del>((18,647</del> <del>36,754))</del>
55	Hartline	11,392	<del>((11,731</del> <del>23,123))</del>
56	Hatton	12,176	<del>((12,539</del> <del>24,715))</del>
57	Hoquiam	374,903	<del>((386,075</del> <del>760,978))</del>
58	Hunts Point	2,432	<del>((2,504</del> <del>4,936))</del>
59	Ilwaco	13,150	<del>((13,542</del> <del>26,692))</del>



1	Index	4,181	<del>((4,306</del> <del>8,487))</del>
2	Ione	17,566	<del>((18,089</del> <del>35,655))</del>
3	Issaquah	50,002	<del>((51,492</del> <del>101,494))</del>
4	Kahlotus	20,210	<del>((20,812</del> <del>41,022))</del>
5	Kalama	7,892	<del>((8,127</del> <del>16,019))</del>
6	Kelso	68,904	<del>((70,957</del> <del>139,861))</del>
7	Kenmore	1,099,395	<del>((1,132,157</del> <del>2,231,552))</del>
8	Kennewick	293,534	<del>((302,281</del> <del>595,815))</del>
9	Kent	360,624	<del>((371,371</del> <del>731,995))</del>
10	Kettle Falls	64,422	<del>((66,342</del> <del>130,764))</del>
11	Kirkland	221,429	<del>((228,028</del> <del>449,457))</del>
12	Kittitas	72,698	<del>((74,864</del> <del>147,562))</del>
13	Krupp	4,445	<del>((4,577</del> <del>9,022))</del>
14	La Center	34,415	<del>((35,441</del> <del>69,856))</del>
15	La Conner	3,817	<del>((3,931</del> <del>7,748))</del>
16	La Crosse	20,141	<del>((20,741</del> <del>40,882))</del>
17	Lacey	143,243	<del>((147,512</del> <del>290,755))</del>
18	Lake Forest Park	897,932	<del>((924,690</del> <del>1,822,622))</del>
19	Lake Stevens	142,295	<del>((146,535</del> <del>288,830))</del>
20	Lakewood	2,955,109	<del>((3,043,171</del> <del>5,998,280))</del>
21	Lamont	7,492	<del>((7,715</del> <del>15,207))</del>
22	Langley	5,303	<del>((5,461</del> <del>10,764))</del>
23	Latah	11,962	<del>((12,318</del> <del>24,280))</del>
24	Leavenworth	12,189	<del>((12,552</del> <del>24,741))</del>
25	Lind	2,217	<del>((2,283</del> <del>4,500))</del>
26	Long Beach	10,269	<del>((10,575</del> <del>20,844))</del>
27	Longview	249,836	<del>((257,281</del> <del>507,117))</del>
28	Lyman	16,741	<del>((17,240</del> <del>33,981))</del>
29	Lynden	42,717	<del>((43,990</del> <del>86,707))</del>
30	Lynnwood	163,579	<del>((168,454</del> <del>332,033))</del>
31	Mabton	142,491	<del>((146,737</del> <del>289,228))</del>
32	Malden	21,588	<del>((22,231</del> <del>43,819))</del>
33	Mansfield	26,744	<del>((27,541</del> <del>54,285))</del>
34	Maple Valley	359,478	<del>((370,190</del> <del>729,668))</del>
35	Marcus	14,126	<del>((14,547</del> <del>28,673))</del>
36	Marysville	102,028	<del>((105,068</del> <del>207,096))</del>
37	Mattawa	100,064	<del>((103,046</del> <del>203,110))</del>
38	McCleary	105,807	<del>((108,960</del> <del>214,767))</del>
39	Medical Lake	114,323	<del>((117,730</del> <del>232,053))</del>
40	Medina	14,355	<del>((14,783</del> <del>29,138))</del>
41	Mercer Island	383,527	<del>((394,956</del> <del>778,483))</del>
42	Mesa	16,835	<del>((17,337</del> <del>34,172))</del>
43	Metaline	14,150	<del>((14,572</del> <del>28,722))</del>
44	Metaline Falls	7,718	<del>((7,948</del> <del>15,666))</del>
45	Mill Creek	174,495	<del>((179,695</del> <del>354,190))</del>
46	Millwood	22,619	<del>((23,293</del> <del>45,912))</del>
47	Milton	28,030	<del>((28,865</del> <del>56,895))</del>
48	Monroe	56,517	<del>((58,201</del> <del>114,718))</del>
49	Montesano	60,229	<del>((62,024</del> <del>122,253))</del>
50	Morton	5,891	<del>((6,067</del> <del>11,958))</del>
51	Moses Lake	105,670	<del>((108,819</del> <del>214,489))</del>
52	Mossyrock	16,545	<del>((17,038</del> <del>33,583))</del>
53	Mount Vernon	130,780	<del>((134,677</del> <del>265,457))</del>
54	Mountlake Terrace	711,188	<del>((732,381</del> <del>1,443,569))</del>
55	Moxee	40,448	<del>((41,653</del> <del>82,101))</del>
56	Mukilteo	274,482	<del>((282,662</del> <del>557,144))</del>
57	Naches	7,632	<del>((7,859</del> <del>15,491))</del>
58	Napavine	96,030	<del>((98,892</del> <del>194,922))</del>
59	Nespelem	17,614	<del>((18,139</del> <del>35,753))</del>

1	Newcastle	290,801	<del>((299,467</del>	<del>590,268))</del>
2	Newport	13,223	<del>((13,617</del>	<del>26,840))</del>
3	Nooksack	58,178	<del>((59,912</del>	<del>118,090))</del>
4	Normandy Park	489,113	<del>((503,689</del>	<del>992,802))</del>
5	North Bend	20,754	<del>((21,372</del>	<del>42,126))</del>
6	North Bonneville	30,574	<del>((31,485</del>	<del>62,059))</del>
7	Northport	23,489	<del>((24,189</del>	<del>47,678))</del>
8	Oak Harbor	278,157	<del>((286,446</del>	<del>564,603))</del>
9	Oakesdale	31,060	<del>((31,986</del>	<del>63,046))</del>
10	Oakville	43,411	<del>((44,705</del>	<del>88,116))</del>
11	Ocean Shores	64,837	<del>((66,769</del>	<del>131,606))</del>
12	Odessa	4,721	<del>((4,862</del>	<del>9,583))</del>
13	Okanogan	12,323	<del>((12,690</del>	<del>25,013))</del>
14	Olympia	198,476	<del>((204,391</del>	<del>402,867))</del>
15	Omak	26,117	<del>((26,895</del>	<del>53,012))</del>
16	Oroville	12,506	<del>((12,879</del>	<del>25,385))</del>
17	Orting	191,211	<del>((196,909</del>	<del>388,120))</del>
18	Othello	26,808	<del>((27,607</del>	<del>54,415))</del>
19	Pacific	69,124	<del>((71,184</del>	<del>140,308))</del>
20	Palouse	55,067	<del>((56,708</del>	<del>111,775))</del>
21	Pasco	131,298	<del>((135,211</del>	<del>266,509))</del>
22	Pateros	28,021	<del>((28,856</del>	<del>56,877))</del>
23	Pe Ell	54,800	<del>((56,433</del>	<del>111,233))</del>
24	Pomeroy	52,485	<del>((54,049</del>	<del>106,534))</del>
25	Port Angeles	124,595	<del>((128,308</del>	<del>252,903))</del>
26	Port Orchard	41,797	<del>((43,043</del>	<del>84,840))</del>
27	Port Townsend	47,126	<del>((48,530</del>	<del>95,656))</del>
28	Poulsbo	31,812	<del>((32,760</del>	<del>64,572))</del>
29	Prescott	12,349	<del>((12,717</del>	<del>25,066))</del>
30	Prosser	24,137	<del>((24,856</del>	<del>48,993))</del>
31	Pullman	584,659	<del>((602,082</del>	<del>1,186,741))</del>
32	Puyallup	151,732	<del>((156,254</del>	<del>307,986))</del>
33	Quincy	20,244	<del>((20,847</del>	<del>41,091))</del>
34	Rainier	111,521	<del>((114,844</del>	<del>226,365))</del>
35	Raymond	85,311	<del>((87,853</del>	<del>173,164))</del>
36	Reardan	38,184	<del>((39,322</del>	<del>77,506))</del>
37	Redmond	215,259	<del>((221,674</del>	<del>436,933))</del>
38	Renton	235,053	<del>((242,058</del>	<del>477,111))</del>
39	Republic	25,085	<del>((25,833</del>	<del>50,918))</del>
40	Richland	441,733	<del>((454,897</del>	<del>896,630))</del>
41	Ridgefield	55,637	<del>((57,295</del>	<del>112,932))</del>
42	Ritzville	8,498	<del>((8,751</del>	<del>17,249))</del>
43	Riverside	27,204	<del>((28,015</del>	<del>55,219))</del>
44	Rock Island	36,527	<del>((37,616</del>	<del>74,143))</del>
45	Rockford	18,965	<del>((19,530</del>	<del>38,495))</del>
46	Rosalia	36,719	<del>((37,813</del>	<del>74,532))</del>
47	Roslyn	64,571	<del>((66,495</del>	<del>131,066))</del>
48	Roy	1,709	<del>((1,760</del>	<del>3,469))</del>
49	Royal City	66,657	<del>((68,643</del>	<del>135,300))</del>
50	Ruston	50,309	<del>((51,808</del>	<del>102,117))</del>
51	Sammamish	2,361,433	<del>((2,431,804</del>	<del>4,793,237))</del>
52	Seatac	132,183	<del>((136,122</del>	<del>268,305))</del>
53	Seattle	3,189,346	<del>((3,284,389</del>	<del>6,473,735))</del>
54	Sedro-Woolley	54,896	<del>((56,532</del>	<del>111,428))</del>
55	Selah	80,704	<del>((83,109</del>	<del>163,813))</del>
56	Sequim	21,867	<del>((22,519</del>	<del>44,386))</del>
57	Shelton	58,160	<del>((59,893</del>	<del>118,053))</del>
58	Shoreline	1,485,138	<del>((1,529,395</del>	<del>3,014,533))</del>
59	Skykomish	1,417	<del>((1,459</del>	<del>2,876))</del>

1	Snohomish	40,722	<del>((41,936</del> <del>82,658))</del>
2	Snoqualmie	9,587	<del>((9,873</del> <del>19,460))</del>
3	Soap Lake	102,783	<del>((105,846</del> <del>208,629))</del>
4	South Bend	75,826	<del>((78,086</del> <del>153,912))</del>
5	South Cle Elum	46,847	<del>((48,243</del> <del>95,090))</del>
6	South Prairie	18,788	<del>((19,348</del> <del>38,136))</del>
7	Spangle	1,397	<del>((1,439</del> <del>2,836))</del>
8	Spokane	1,116,419	<del>((1,149,688</del> <del>2,266,107))</del>
9	Sprague	22,930	<del>((23,613</del> <del>46,543))</del>
10	Springdale	11,080	<del>((11,410</del> <del>22,490))</del>
11	St. John	4,245	<del>((4,372</del> <del>8,617))</del>
12	Stanwood	21,141	<del>((21,771</del> <del>42,912))</del>
13	Starbuck	8,949	<del>((9,216</del> <del>18,165))</del>
14	Steilacoom	285,807	<del>((294,324</del> <del>580,131))</del>
15	Stevenson	11,673	<del>((12,021</del> <del>23,694))</del>
16	Sultan	63,199	<del>((65,082</del> <del>128,281))</del>
17	Sumas	7,885	<del>((8,120</del> <del>16,005))</del>
18	Sumner	41,931	<del>((43,181</del> <del>85,112))</del>
19	Sunnyside	70,805	<del>((72,915</del> <del>143,720))</del>
20	Tacoma	1,384,646	<del>((1,425,908</del> <del>2,810,554))</del>
21	Tekoa	49,373	<del>((50,844</del> <del>100,217))</del>
22	Tenino	68,820	<del>((70,871</del> <del>139,691))</del>
23	Tieton	74,506	<del>((76,726</del> <del>151,232))</del>
24	Toledo	8,084	<del>((8,325</del> <del>16,409))</del>
25	Tonasket	5,500	<del>((5,664</del> <del>11,164))</del>
26	Toppenish	443,488	<del>((456,704</del> <del>900,192))</del>
27	Tukwila	75,320	<del>((77,565</del> <del>152,885))</del>
28	Tumwater	61,848	<del>((63,691</del> <del>125,539))</del>
29	Twisp	4,793	<del>((4,936</del> <del>9,729))</del>
30	Union Gap	27,129	<del>((27,937</del> <del>55,066))</del>
31	Uniontown	19,805	<del>((20,395</del> <del>40,200))</del>
32	University Place	1,889,912	<del>((1,946,231</del> <del>3,836,143))</del>
33	Vader	40,643	<del>((41,854</del> <del>82,497))</del>
34	Vancouver	1,177,584	<del>((1,212,676</del> <del>2,390,260))</del>
35	Waitsburg	81,097	<del>((83,514</del> <del>164,611))</del>
36	Walla Walla	318,679	<del>((328,176</del> <del>646,855))</del>
37	Wapato	230,783	<del>((237,660</del> <del>468,443))</del>
38	Warden	105,612	<del>((108,759</del> <del>214,371))</del>
39	Washougal	177,022	<del>((182,297</del> <del>359,319))</del>
40	Washtucna	20,654	<del>((21,269</del> <del>41,923))</del>
41	Waterville	72,880	<del>((75,052</del> <del>147,932))</del>
42	Waverly	10,256	<del>((10,562</del> <del>20,818))</del>
43	Wenatchee	147,602	<del>((152,001</del> <del>299,603))</del>
44	West Richland	489,752	<del>((504,347</del> <del>994,099))</del>
45	Westport	13,715	<del>((14,124</del> <del>27,839))</del>
46	White Salmon	53,746	<del>((55,348</del> <del>109,094))</del>
47	Wilbur	23,614	<del>((24,318</del> <del>47,932))</del>
48	Wilkeson	18,762	<del>((19,321</del> <del>38,083))</del>
49	Wilson Creek	18,403	<del>((18,951</del> <del>37,354))</del>
50	Winlock	35,212	<del>((36,261</del> <del>71,473))</del>
51	Winthrop	1,756	<del>((1,808</del> <del>3,564))</del>
52	Woodinville	56,052	<del>((57,722</del> <del>113,774))</del>
53	Woodland	17,960	<del>((18,495</del> <del>36,455))</del>
54	Woodway	12,513	<del>((12,886</del> <del>25,399))</del>
55	Yacolt	36,636	<del>((37,728</del> <del>74,364))</del>
56	Yakima	487,766	<del>((502,301</del> <del>990,067))</del>
57	Yarrow Point	32,121	<del>((33,078</del> <del>65,199))</del>
58	Yelm	15,677	<del>((16,144</del> <del>31,821))</del>
59	Zillah	100,818	<del>((103,822</del> <del>204,640))</del>

1 TOTAL APPROPRIATIONS 45,545,942 ((46,903,217 ----- 92,449,159))

2 (2) \$338,668 for fiscal year 2002 ((and \$348,622 for fiscal year  
3 2003)) from this appropriation ((are)) is provided solely to address  
4 the contingencies listed in this subsection. The department shall  
5 distribute the moneys no later than March 31, 2002, ((and March 31,  
6 2003,)) for the respective appropriations. Moneys shall be distributed  
7 for the following purposes, ranked in order of priority:

8 (a) To correct for data errors in the determination of  
9 distributions in subsection (1) of this section;

10 (b) To distribute to newly qualifying jurisdictions as if the  
11 jurisdiction had been in existence prior to November 1999;

12 (c) To allocate under emergency situations as determined by the  
13 director of the department of community, trade, and economic  
14 development in consultation with the association of Washington cities;  
15 and

16 (d) After April 1((st of each year in the fiscal biennium ending  
17 June 30, 2003)), 2001, any moneys remaining from the amounts provided  
18 in this subsection shall be prorated and distributed to cities and  
19 towns on the basis of the amounts distributed for emergency  
20 considerations in November 2000 as provided in section 729, chapter 1,  
21 Laws of 2000, 2nd sp. sess.

22 **Sec. 719.** 2001 2nd sp.s. c 7 s 729 (uncodified) is amended to read  
23 as follows:

24 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--**  
25 **COUNTY PUBLIC HEALTH ASSISTANCE**

26 Health Services Account--State Appropriation . \$ ((48,270,802))  
27 36,025,651

28 The appropriation in this section is subject to the following  
29 conditions and limitations: The director of the department of  
30 community, trade, and economic development shall distribute the  
31 appropriations to the following counties and health districts in the  
32 amounts designated:

33				2001-03
34	Health District	FY 2002	FY 2003	Biennium
35	Adams County Health District	30,824	((31,428)) <u>15,714</u>	((62,252)) <u>46,538</u>
36	Asotin County Health District	65,375	((70,818)) <u>35,409</u>	((136,193)) <u>100,784</u>
37	Benton-Franklin Health District	1,147,987	((1,196,390)) <u>598,195</u>	((2,344,377)) <u>1,746,182</u>
38	Chelan-Douglas Health District	176,979	((194,628)) <u>97,314</u>	((371,607)) <u>274,293</u>
39	Clallam County Health and Human Services Department	140,557	((144,547)) <u>72,274</u>	((285,104)) <u>212,831</u>

1	Southwest Washington Health District	1,067,962	((1,113,221))	<u>556,611</u>	((2,181,183))	<u>1,624,573</u>
2	Columbia County Health District	40,362	((41,153))	<u>20,577</u>	((81,515))	<u>60,939</u>
3	Cowlitz County Health Department	273,147	((287,116))	<u>143,558</u>	((560,263))	<u>416,705</u>
4	Garfield County Health District	14,966	((15,259))	<u>7,630</u>	((30,225))	<u>22,596</u>
5	Grant County Health District	111,767	((126,762))	<u>63,381</u>	((238,529))	<u>175,148</u>
6	Grays Harbor Health Department	183,113	((186,702))	<u>93,351</u>	((369,815))	<u>276,464</u>
7	Island County Health Department	86,600	((98,221))	<u>49,111</u>	((184,821))	<u>135,711</u>
8	Jefferson County Health and Human Services	82,856	((89,676))	<u>44,838</u>	((172,532))	<u>127,694</u>
9	Seattle-King County Department of Public Health	9,489,273	((9,681,772))	<u>4,840,886</u>	((19,171,045))	<u>14,330,159</u>
10	Bremerton-Kitsap County Health District	551,913	((563,683))	<u>281,842</u>	((1,115,596))	<u>833,755</u>
11	Kittitas County Health Department	87,822	((98,219))	<u>49,110</u>	((186,041))	<u>136,932</u>
12	Klickitat County Health Department	57,872	((67,636))	<u>33,818</u>	((125,508))	<u>91,690</u>
13	Lewis County Health Department	103,978	((108,817))	<u>54,409</u>	((212,795))	<u>158,387</u>
14	Lincoln County Health Department	26,821	((32,924))	<u>16,462</u>	((59,745))	<u>43,283</u>
15	Mason County Department of Health Services	91,638	((101,422))	<u>50,711</u>	((193,060))	<u>142,349</u>
16	Okanogan County Health District	62,844	((64,788))	<u>32,394</u>	((127,632))	<u>95,238</u>
17	Pacific County Health Department	77,108	((78,619))	<u>39,310</u>	((155,727))	<u>116,418</u>
18	Tacoma-Pierce County Health Department	2,802,613	((2,870,392))	<u>1,435,196</u>	((5,673,005))	<u>4,237,809</u>
19	San Juan County Health and Community Services	35,211	((40,274))	<u>20,137</u>	((75,485))	<u>55,348</u>
20	Skagit County Health Department	215,464	((234,917))	<u>117,459</u>	((450,381))	<u>332,923</u>
21	Snohomish Health District	2,238,523	((2,303,371))	<u>1,151,686</u>	((4,541,894))	<u>3,390,209</u>
22	Spokane County Health District	2,091,092	((2,135,477))	<u>1,067,739</u>	((4,226,569))	<u>3,158,831</u>
23	Northeast Tri-County Health District	106,019	((116,135))	<u>58,068</u>	((222,154))	<u>164,087</u>
24	Thurston County Health Department	593,358	((614,255))	<u>307,128</u>	((1,207,613))	<u>900,486</u>
25	Wahkiakum County Health Department	13,715	((13,984))	<u>6,992</u>	((27,699))	<u>20,707</u>
26	Walla Walla County-City Health Department	170,852	((175,213))	<u>87,607</u>	((346,065))	<u>258,459</u>
27	Whatcom County Health Department	846,015	((875,369))	<u>437,685</u>	((1,721,384))	<u>1,283,700</u>
28	Whitman County Health Department	78,081	((80,274))	<u>40,137</u>	((158,355))	<u>118,218</u>
29	Yakima Health District	617,792	((636,841))	<u>318,421</u>	((1,254,633))	<u>936,213</u>
30	<b>TOTAL APPROPRIATIONS</b>	<b>\$23,780,499</b>	<b>((24,490,303))</b>	<b><u>\$12,245,152</u></b>	<b>((48,270,802))</b>	<b><u>\$36,025,651</u></b>

31       **Sec. 720.** 2001 2nd sp.s. c 7 s 730 (uncodified) is amended to read  
32 as follows:

33 **FOR THE LIABILITY ACCOUNT**

34	<u>General Fund--State Appropriation (FY 2002)</u>	. . . . .	\$	<u>12,000,000</u>
35	<u>General Fund--State Appropriation (FY 2003)</u>	. . . . .	\$((6,392,000))	
36				<u>19,392,000</u>
37	<del>((State Surplus Assets Reserve Fund--State</del>			
38	<del>Appropriation</del>	. . . . .	\$	<del>25,000,000))</del>
39	TOTAL APPROPRIATION	. . . . .	\$	<u>31,392,000</u>

40       The appropriations in this section are provided solely for deposit  
41 in the liability account.

42       **NEW SECTION. Sec. 721.** A new section is added to 2001 2nd sp.s.  
43 c 7 (uncodified) to read as follows:

44 **REVOLVING FUND REDUCTIONS**

45       The office of financial management shall reduce the allotments for  
46 agencies of the state by \$4,710,000 from the general fund--state fiscal

1 year 2003 appropriations and \$5,173,000 from other funds 2001-03  
2 appropriations. Reductions shall be made according to the legislative  
3 evaluation and audit committee document entitled, "Revolving Fund  
4 Reductions," dated March 7, 2002.

5 NEW SECTION. **Sec. 722.** A new section is added to 2001 2nd sp.s.  
6 c 7 (uncodified) to read as follows:

7 **MADER SETTLEMENT**

8 General Fund--State Appropriation (FY 2003) . . . \$ 12,000,000

9 The appropriation in this section is subject to the following  
10 conditions and limitations: The entire appropriation is provided  
11 solely for the purposes of the settlement costs of *Mader v. State*  
12 litigation regarding retirement contributions on behalf of part-time  
13 faculty.

14 NEW SECTION. **Sec. 723.** A new section is added to 2001 2nd sp.s.  
15 c 7 (uncodified) to read as follows:

16 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may  
17 be necessary, are appropriated from the general fund, unless otherwise  
18 indicated, for relief of various individuals, firms, and corporations  
19 for sundry claims. These appropriations are to be disbursed on  
20 vouchers approved by the director of general administration, except as  
21 otherwise provided, as follows:

22 (1) Reimbursement of criminal defendants acquitted on the basis of  
23 self-defense, pursuant to RCW 9A.16.110:

24	(a) Eythor Westman, claim number SCJ 02-01 . . . . .	\$ 7,000
25	(b) Stacey Julian, claim number SCJ 02-02 . . . . .	\$ 59,136
26	(c) Christopher Denney, claim number SCJ 02-03 . . . . .	\$ 11,598
27	(d) Onofre Vasquez, claim number SCJ 02-04 . . . . .	\$ 200
28	(e) William Voorhees, claim number SCJ 02-05 . . . . .	\$ 3,694
29	(f) Glenn Rowlison, claim number SCJ 02-06 . . . . .	\$ 14,395
30	(g) Frankie Doerr, claim number SCJ 02-07 . . . . .	\$ 9,100
31	(h) Ralph Howard, claim number SCJ 00-09 . . . . .	\$ 99,497
32	(i) Johnny Adams, claim number SCJ 01-17 . . . . .	\$ 11,916
33	(j) Shane Mathus, claim number SCJ 02-08 . . . . .	\$ 13,043
34	(k) Timothy Farnum, claim number SCJ 02-09 . . . . .	\$ 21,822
35	(l) Rebecca Williams, claim number SCJ 02-10 . . . . .	\$ 2,241
36	(m) Stewart Bailey, claim number SCJ 02-11 . . . . .	\$ 4,186

1	(n) Aaron Knaack, claim number SCJ 02-13 . . . . .	\$ 4,330
2	(o) Jacob Clark, claim number SCJ 02-14 . . . . .	\$ 11,613
3	(2) Payment from the state wildlife account for damage to crops by	
4	wildlife, pursuant to RCW 77.36.050:	
5	(a) Ronald Palmer, claim number SCG 02-01 . . . . .	\$ 1,522
6	(b) Keith Morris, claim number SCG 02-02 . . . . .	\$ 1,315
7	(c) Edgar Roush, claim number SCG 02-03 . . . . .	\$ 1,459

8 NEW SECTION. **Sec. 724.** A new section is added to 2001 2nd sp.s.  
9 c 7 (uncodified) to read as follows:

10 **CONTINGENCY POOL.** The sum of one million five hundred thousand  
11 dollars from the general fund--state for fiscal year 2003 is  
12 appropriated to the governor for providing assistance to state agencies  
13 that are unable to effectively absorb the administrative, travel, and  
14 equipment reductions and efficiency savings enacted in this act.  
15 Allocations to state agencies from this appropriation shall be reported  
16 to the legislative fiscal committees by the office of financial  
17 management within five days of the allocation.

18 NEW SECTION. **Sec. 725.** A new section is added to 2001 2nd sp.s.  
19 c 7 (uncodified) to read as follows:

20 **CONTINGENCY POOL.** The sum of two hundred and fourteen thousand  
21 dollars from the general fund--state for fiscal year 2003 is  
22 appropriated to the supreme court for providing assistance to judicial  
23 branch agencies that are unable to effectively absorb the  
24 administrative, travel, and equipment reductions and efficiency savings  
25 enacted in this act. Allocations to judicial agencies from this  
26 appropriation shall be reported to the legislative fiscal committees by  
27 the office of financial management within five days of the allocation.

28 NEW SECTION. **Sec. 726.** A new section is added to 2001 2nd sp.s.  
29 c 7 (uncodified) to read as follows:

30 **EFFICIENCY SAVINGS.** The legislature finds that all state agencies  
31 must continue to strive to make their operations more efficient and  
32 effective. During periods of economic downturn, the need to reduce  
33 costs while still maintaining vital services is especially critical.  
34 It is the intent of the legislature that all agencies work to reduce  
35 costs while minimizing the impact on services to the public by taking  
36 the following actions:

1 (1) Imposing a hiring freeze for all positions except those that  
2 directly serve public safety and essential health and welfare  
3 activities of state government;

4 (2) Delaying equipment purchases unless that equipment is essential  
5 to performing the mission of the agency;

6 (3) Avoiding all travel unless that travel is essential to  
7 performing the mission of the agency;

8 (4) Avoiding personal services contracts unless those contracts are  
9 essential to performing the mission of the agency; and

10 (5) Identifying and implementing other administrative efficiencies.

11 When requested, agencies are expected to be able to identify, for  
12 each action, the level of savings achieved each fiscal quarter compared  
13 to the level of administrative and efficiency savings assumed in this  
14 act.

15 Individual agencies' appropriations for the 2001-2003 biennium have  
16 been reduced to reflect the efficiencies assumed in this section.

17 (End of part)



PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2001 2nd sp.s. c 7 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions . . . . . \$ ((6,528,600)) 7,526,000

General Fund Appropriation for public utility district excise tax distributions . . . . . \$ ((36,427,306)) 34,754,723

General Fund Appropriation for prosecuting attorney distributions . . . . . \$ ((3,090,000)) 3,110,000

General Fund Appropriation for boating safety/ education and law enforcement distributions . . . . . \$ 3,780,000

General Fund Appropriation for other tax distributions . . . . . \$ ((39,566)) 1,951,556

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies . . . . . \$ 1,621,537

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution . . . . . \$ 147,500

Timber Tax Distribution Account Appropriation for distribution to "timber" counties . . . . . \$ ((68,562,000)) 57,405,000

County Criminal Justice Assistance Appropriation . . . . . \$ 49,835,213

Municipal Criminal Justice Assistance Appropriation . . . . . \$ 19,988,097

Liquor Excise Tax Account Appropriation for liquor excise tax distribution . . . . . \$ 28,659,331

Liquor Revolving Account Appropriation for

1	liquor profits distribution . . . . .	\$	55,344,817
2	TOTAL APPROPRIATION . . . . .	\$	((274,023,967))
3			<u>264,124,506</u>

4 The total expenditures from the state treasury under the  
5 appropriations in this section shall not exceed the funds available  
6 under statutory distributions for the stated purposes.

7 **Sec. 802.** 2001 2nd sp.s. c 7 s 805 (uncodified) is amended to read  
8 as follows:

9 **FOR THE STATE TREASURER--TRANSFERS**

10 For transfers in this section to the state general fund, pursuant  
11 to RCW 43.135.035(5), the state expenditure limit shall be increased by  
12 the amount of the transfer. The increase shall occur in the fiscal  
13 year in which the transfer occurs.

14 Public Facilities Construction Loan and  
15 Grant Revolving Account: For transfer  
16 to the digital government revolving account  
17 on or before December 31, 2001 . . . . . \$ 1,418,456

18 Financial Services Regulation Fund: To be  
19 transferred from the financial services  
20 regulation fund to the digital government  
21 revolving account during the period  
22 between July 1, 2001, and December 31,  
23 2001 . . . . . \$ 2,000,000

24 Financial Services Regulation Fund: For  
25 transfer to the state general fund,  
26 \$2,250,000 for fiscal year 2002 and  
27 \$357,000 for fiscal year 2003 . . . . . \$ 2,607,000

28 Local Toxics Control Account: For transfer  
29 to the state toxics control account.  
30 Transferred funds will be utilized  
31 for methamphetamine lab cleanup, to  
32 address areawide soil contamination  
33 problems, and clean up contaminated  
34 sites as part of the clean sites  
35 initiative . . . . . \$ 6,000,000

36 State Toxics Control Account: For transfer  
37 to the water quality account for water

1	quality related projects funded in the		
2	capital budget . . . . .	\$	9,000,000
3	General Fund: For transfer to the flood		
4	control assistance account . . . . .	\$	4,000,000
5	Water Quality Account: For transfer to the		
6	water pollution control account. Transfers		
7	shall be made at intervals coinciding with		
8	deposits of federal capitalization grant		
9	money into the account. The amounts		
10	transferred shall not exceed the match		
11	required for each federal deposit . . . . .	\$	12,564,487
12	<u>Health Services Account: For transfer to</u>		
13	<u>the water quality account . . . . .</u>	\$	<u>6,447,500</u>
14	<u>Health Services Account: For transfer to the</u>		
15	<u>violence reduction and drug enforcement</u>		
16	<u>account . . . . .</u>	\$	<u>6,497,500</u>
17	<u>Health Services Account: For transfer to the</u>		
18	<u>tobacco prevention and control account . . .</u>	\$	<u>21,200,000</u>
19	State Treasurer's Service Account: For		
20	transfer to the general fund on or		
21	before June 30, 2003, an amount in excess		
22	of the cash requirements of the state		
23	treasurer's service account. Pursuant to		
24	RCW 43.135.035(5), the state expenditure		
25	limit shall be increased <u>by \$4,000,000 in</u>		
26	<u>fiscal year 2002 and by \$8,715,000 in fiscal</u>		
27	<u>year 2003 to reflect this transfer . . . . .</u>	\$	<u>((<del>8,000,000</del>))</u>
28			<u>12,715,000</u>
29	Public Works Assistance Account: For		
30	transfer to the drinking water		
31	assistance account . . . . .	\$	7,700,000
32	Tobacco Settlement Account: For transfer		
33	to the health services account, in an		
34	amount not to exceed the actual balance		
35	of the tobacco settlement account . . . . .	\$	<u>((<del>310,000,000</del>))</u>
36			<u>280,000,000</u>
37	General Fund: For transfer to the water quality		
38	account . . . . .	\$	<u>((<del>60,325,000</del>))</u>
39			<u>60,821,172</u>

1 Insurance Commissioner's Regulatory Account:  
2 For transfer to the state general fund for  
3 fiscal year 2003 . . . . . \$ 721,000  
4 Electrical License Account: For transfer to the  
5 state general fund for fiscal year 2003 . . . \$ 426,000  
6 State Drought Preparedness Account: For  
7 transfer to the state general fund for  
8 fiscal year 2002 . . . . . \$ 3,000,000  
9 Health Services Account: For  
10 transfer to the state general fund  
11 by June 30, 2002. Pursuant to RCW  
12 43.135.035(5), the state expenditure  
13 limit shall be increased in fiscal  
14 year 2002 to reflect this transfer . . . . \$ 130,000,000  
15 (~~Health Services Account: For~~  
16 ~~transfer to the state general fund~~  
17 ~~by June 30, 2003. Pursuant to RCW~~  
18 ~~43.135.035(5), the state expenditure~~  
19 ~~limit shall be increased in fiscal~~  
20 ~~year 2003 to reflect this transfer . . . . \$ 20,000,000~~)  
21 General Fund: For transfer to the health  
22 services account on June 28, 2003.  
23 Pursuant to RCW 43.135.035(5), the  
24 state expenditure limit shall be  
25 decreased in fiscal year 2003 to  
26 reflect this transfer . . . . . \$ 130,000,000  
27 Health Services Account: For transfer to the  
28 state general fund for fiscal year 2003 . . . \$ 12,245,000  
29 Health Professions Account: For transfer to the  
30 state general fund for fiscal year 2003 . . . \$ 574,000  
31 Industrial Insurance Premium Refund Account: For  
32 transfer to the state general fund for fiscal  
33 year 2002 . . . . . \$ 1,000,000  
34 State Surplus Assets Reserve Fund: For  
35 transfer to the multimodal transportation  
36 account by June 30, 2002 . . . . . \$ 70,000,000  
37 Multimodal Transportation Account: For  
38 transfer to the state general fund  
39 by June 30, 2002. Pursuant to RCW

1	43.135.035(5), the state expenditure		
2	limit shall be increased in fiscal		
3	year 2002 to reflect this transfer . . . . .	\$	70,000,000
4	<u>Horticultural Districts Account: For</u>		
5	<u>transfer to the fruit and vegetable</u>		
6	<u>inspection account . . . . .</u>	\$	<u>11,075,000</u>
7	<u>Agricultural Local Account: For transfer</u>		
8	<u>to the fruit and vegetable inspection</u>		
9	<u>account . . . . .</u>	\$	<u>605,000</u>
10	<u>Lottery Administrative Account: For transfer</u>		
11	<u>to the state general fund for fiscal</u>		
12	<u>year 2003 . . . . .</u>	\$	<u>335,000</u>
13	<u>Gambling Revolving Account: For transfer</u>		
14	<u>to the state general fund for fiscal</u>		
15	<u>year 2003 . . . . .</u>	\$	<u>2,450,000</u>
16	<u>Liquor Control Board Construction and</u>		
17	<u>Maintenance Account: For transfer</u>		
18	<u>to the state general fund for fiscal</u>		
19	<u>year 2003 . . . . .</u>	\$	<u>1,067,000</u>
20	<u>Liquor Revolving Account: For transfer</u>		
21	<u>to the state general fund for fiscal</u>		
22	<u>year 2003 . . . . .</u>	\$	<u>2,059,000</u>
23	<u>Public Service Revolving Account: For transfer</u>		
24	<u>to the state general fund for fiscal</u>		
25	<u>year 2003 . . . . .</u>	\$	<u>406,000</u>
26	<u>Nisqually Earthquake Account: For transfer to</u>		
27	<u>the disaster response account for fire</u>		
28	<u>suppression and mobilization costs . . . . .</u>	\$	<u>32,698,000</u>
29	<u>Enhanced 911 Account: For transfer to</u>		
30	<u>the state general fund for fiscal</u>		
31	<u>year 2003 . . . . .</u>	\$	<u>6,000,000</u>
32	<u>Clarke-McNary Fund: For transfer to the state</u>		
33	<u>general fund for fiscal year 2002 . . . . .</u>	\$	<u>4,000,000</u>
34	<u>Tobacco Prevention and Control Account:</u>		
35	<u>For transfer to the state general fund,</u>		
36	<u>\$7,102,000 for fiscal year 2002 and</u>		
37	<u>\$14,125,000 for fiscal year 2003 . . . . .</u>	\$	<u>21,227,000</u>
38	<u>From the Emergency Reserve Fund:</u>		
39	<u>For transfer to the state general fund</u>		





1 determination by the board that the sums are necessary to accomplish  
2 the intent of chapter 19.28 RCW. The treasurer shall keep an accurate  
3 record of payments into, or receipts of, said fund, and of all  
4 disbursements therefrom. During the 2001-03 fiscal biennium, the  
5 legislature may transfer from the electrical license fund such amounts  
6 as reflect the appropriations reductions made by the 2002 supplemental  
7 appropriations act for administrative efficiencies and savings.

8 **Sec. 903.** RCW 38.52.106 and 2001 c 5 s 2 are each amended to read  
9 as follows:

10 The Nisqually earthquake account is created in the state treasury.  
11 Moneys may be placed in the account from tax revenues, budget transfers  
12 or appropriations, federal appropriations, gifts, or any other lawful  
13 source. Moneys in the account may be spent only after appropriation.  
14 Moneys in the account shall be used only to support state and local  
15 government disaster response and recovery efforts associated with the  
16 Nisqually earthquake. During the 2001-2003 fiscal biennium, the  
17 legislature may transfer moneys from the Nisqually earthquake account  
18 to the disaster response account for fire suppression and mobilization  
19 costs.

20 **Sec. 904.** RCW 38.52.540 and 2001 c 128 s 2 are each amended to  
21 read as follows:

22 The enhanced 911 account is created in the state treasury. All  
23 receipts from the state enhanced 911 excise tax imposed by RCW  
24 82.14B.030 shall be deposited into the account. Moneys in the account  
25 shall be used only to support the statewide coordination and management  
26 of the enhanced 911 system and to help supplement, within available  
27 funds, the operational costs of the system. Funds shall not be  
28 distributed to any county that has not imposed the maximum county  
29 enhanced 911 taxes allowed under RCW 82.14B.030 (1) and (2). The state  
30 enhanced 911 coordinator, with the advice and assistance of the  
31 enhanced 911 advisory committee, is authorized to enter into statewide  
32 agreements to improve the efficiency of enhanced 911 services for all  
33 counties and shall specify by rule the additional purposes for which  
34 moneys, if available, may be expended from this account. During the  
35 2001-2003 fiscal biennium, the legislature may transfer from the  
36 enhanced 911 account to the state general fund such amounts as reflect  
37 the excess fund balance of the account.



1       **Sec. 905.** RCW 43.10.220 and 1999 c 309 s 916 are each amended to  
2 read as follows:

3       The attorney general is authorized to expend from the antitrust  
4 revolving fund, created by RCW 43.10.210 through 43.10.220, such funds  
5 as are necessary for the payment of costs, expenses and charges  
6 incurred in the preparation, institution and maintenance of antitrust  
7 actions under the state and federal antitrust acts. During the (~~1999-~~  
8 ~~01~~) 2001-03 fiscal biennium, the attorney general may expend (~~up to~~  
9 ~~one million three hundred thousand dollars~~) from the antitrust  
10 revolving fund for the purposes of (~~implementing a case management~~  
11 ~~data processing system for the centralized management of cases and~~  
12 ~~workload, including antitrust and other complex litigation~~) the  
13 consumer protection activities of the office.

14       **Sec. 906.** RCW 43.30.360 and 1986 c 100 s 46 are each amended to  
15 read as follows:

16       The department and Washington State University may each receive  
17 funds from the federal government in connection with cooperative work  
18 with the United States department of agriculture, authorized by  
19 sections 4 and 5 of the Clarke-McNary act of congress, approved June 7,  
20 1924, providing for the procurement, protection, and distribution of  
21 forestry seed and plants for the purpose of establishing windbreaks,  
22 shelter belts, and farm wood lots and to assist the owners of farms in  
23 establishing, improving, and renewing wood lots, shelter belts, and  
24 windbreaks; and are authorized to disburse such funds as needed.  
25 During the 2001-2003 fiscal biennium, the legislature may transfer from  
26 the Clarke-McNary fund to the state general fund such amounts as  
27 reflect the excess fund balance of the Clarke-McNary fund.

28       **Sec. 907.** RCW 43.70.320 and 1993 c 492 s 411 are each amended to  
29 read as follows:

30       (1) There is created in the state treasury an account to be known  
31 as the health professions account. All fees received by the department  
32 for health professions licenses, registration, certifications,  
33 renewals, or examinations and the civil penalties assessed and  
34 collected by the department under RCW 18.130.190 shall be forwarded to  
35 the state treasurer who shall credit such moneys to the health  
36 professions account.

1 (2) All expenses incurred in carrying out the health professions  
2 licensing activities of the department shall be paid from the account  
3 as authorized by legislative appropriation. Any residue in the account  
4 shall be accumulated and shall not revert to the general fund at the  
5 end of the biennium. During the 2001-2003 fiscal biennium, the  
6 legislature may transfer from the health professions account to the  
7 state general fund such amounts as reflect the reductions made by the  
8 2002 supplemental appropriations act for administrative efficiencies  
9 and savings.

10 (3) The secretary shall biennially prepare a budget request based  
11 on the anticipated costs of administering the health professions  
12 licensing activities of the department which shall include the  
13 estimated income from health professions fees.

14 **Sec. 908.** RCW 43.79.480 and 1999 c 309 s 927 are each amended to  
15 read as follows:

16 (1) Moneys received by the state of Washington in accordance with  
17 the settlement of the state's legal action against tobacco product  
18 manufacturers, exclusive of costs and attorneys' fees, shall be  
19 deposited in the tobacco settlement account created in this section.

20 (2) The tobacco settlement account is created in the state  
21 treasury. Moneys in the tobacco settlement account may only be  
22 transferred to the health services account for the purposes set forth  
23 in RCW 43.72.900, and to the tobacco prevention and control account for  
24 purposes set forth in this section.

25 (3) The tobacco prevention and control account is created in the  
26 state treasury. The source of revenue for this account is moneys  
27 transferred to the account from the tobacco settlement account,  
28 investment earnings, donations to the account, and other revenues as  
29 directed by law. Expenditures from the account are subject to  
30 appropriation. During the 2001-2003 fiscal biennium, the legislature  
31 may transfer from the tobacco settlement account to the state general  
32 fund.

33 (4) The state treasurer shall transfer one hundred million dollars  
34 from the tobacco settlement account to the tobacco prevention and  
35 control account upon authorization of the director of financial  
36 management. The director shall authorize transfer of the total amount  
37 by June 30, 2001.

1       **Sec. 909.** RCW 43.83B.430 and 1999 c 379 s 921 are each amended to  
2 read as follows:

3       The state drought preparedness account is created in the state  
4 treasury. All receipts from appropriated funds designated for the  
5 account and funds transferred from the state emergency water projects  
6 revolving account must be deposited into the account. Moneys in the  
7 account may be spent only after appropriation. Expenditures from the  
8 account may be used only for drought preparedness. During the 2001-  
9 2003 fiscal biennium, the legislature may transfer from the state  
10 drought preparedness account to the state general fund such amounts as  
11 reflect the excess fund balance of the account.

12       **Sec. 910.** RCW 43.88.030 and 2000 2nd sp.s. c 4 s 12 are each  
13 amended to read as follows:

14       (1) The director of financial management shall provide all agencies  
15 with a complete set of instructions for submitting biennial budget  
16 requests to the director at least three months before agency budget  
17 documents are due into the office of financial management. The  
18 director shall provide agencies and committees that are required under  
19 RCW 44.40.070 to develop comprehensive six-year program and financial  
20 plans with a complete set of instructions for submitting these program  
21 and financial plans at the same time that instructions for submitting  
22 other budget requests are provided. The budget document or documents  
23 shall consist of the governor's budget message which shall be  
24 explanatory of the budget and shall contain an outline of the proposed  
25 financial policies of the state for the ensuing fiscal period, as well  
26 as an outline of the proposed six-year financial policies where  
27 applicable, and shall describe in connection therewith the important  
28 features of the budget. The message shall set forth the reasons for  
29 salient changes from the previous fiscal period in expenditure and  
30 revenue items and shall explain any major changes in financial policy.  
31 Attached to the budget message shall be such supporting schedules,  
32 exhibits and other explanatory material in respect to both current  
33 operations and capital improvements as the governor shall deem to be  
34 useful to the legislature. The budget document or documents shall set  
35 forth a proposal for expenditures in the ensuing fiscal period, or six-  
36 year period where applicable, based upon the estimated revenues and  
37 caseloads as approved by the economic and revenue forecast council and  
38 caseload forecast council or upon the estimated revenues and caseloads

1 of the office of financial management for those funds, accounts,  
2 sources, and programs for which the forecast councils do not prepare an  
3 official forecast, including those revenues anticipated to support the  
4 six-year programs and financial plans under RCW 44.40.070. In  
5 estimating revenues to support financial plans under RCW 44.40.070, the  
6 office of financial management shall rely on information and advice  
7 from the transportation revenue forecast council. Revenues shall be  
8 estimated for such fiscal period from the source and at the rates  
9 existing by law at the time of submission of the budget document,  
10 including the supplemental budgets submitted in the even-numbered years  
11 of a biennium. However, the estimated revenues and caseloads for use  
12 in the governor's budget document may be adjusted to reflect budgetary  
13 revenue transfers and revenue and caseload estimates dependent upon  
14 budgetary assumptions of enrollments, workloads, and caseloads. All  
15 adjustments to the approved estimated revenues and caseloads must be  
16 set forth in the budget document. The governor may additionally  
17 submit, as an appendix to each supplemental, biennial, or six-year  
18 agency budget or to the budget document or documents, a proposal for  
19 expenditures in the ensuing fiscal period from revenue sources derived  
20 from proposed changes in existing statutes.

21 Supplemental and biennial documents shall reflect a six-year  
22 expenditure plan consistent with estimated revenues from existing  
23 sources and at existing rates for those agencies required to submit  
24 six-year program and financial plans under RCW 44.40.070. Any  
25 additional revenue resulting from proposed changes to existing statutes  
26 shall be separately identified within the document as well as related  
27 expenditures for the six-year period.

28 The budget document or documents shall also contain:

29 (a) Revenues classified by fund and source for the immediately past  
30 fiscal period, those received or anticipated for the current fiscal  
31 period, those anticipated for the ensuing biennium, and those  
32 anticipated for the ensuing six-year period to support the six-year  
33 programs and financial plans required under RCW 44.40.070;

34 (b) The undesignated fund balance or deficit, by fund;

35 (c) Such additional information dealing with expenditures,  
36 revenues, workload, performance, and personnel as the legislature may  
37 direct by law or concurrent resolution;

1 (d) Such additional information dealing with revenues and  
2 expenditures as the governor shall deem pertinent and useful to the  
3 legislature;

4 (e) Tabulations showing expenditures classified by fund, function,  
5 activity, and agency. However, documents submitted for the 2003-05  
6 biennial budget request need not show expenditures by activity;

7 (f) A delineation of each agency's activities, including those  
8 activities funded from nonbudgeted, nonappropriated sources, including  
9 funds maintained outside the state treasury;

10 (g) Identification of all proposed direct expenditures to implement  
11 the Puget Sound water quality plan under chapter 90.71 RCW, shown by  
12 agency and in total; and

13 (h) Tabulations showing each postretirement adjustment by  
14 retirement system established after fiscal year 1991, to include, but  
15 not be limited to, estimated total payments made to the end of the  
16 previous biennial period, estimated payments for the present biennium,  
17 and estimated payments for the ensuing biennium.

18 (2) The budget document or documents shall include detailed  
19 estimates of all anticipated revenues applicable to proposed operating  
20 or capital expenditures and shall also include all proposed operating  
21 or capital expenditures. The total of beginning undesignated fund  
22 balance and estimated revenues less working capital and other reserves  
23 shall equal or exceed the total of proposed applicable expenditures.  
24 The budget document or documents shall further include:

25 (a) Interest, amortization and redemption charges on the state  
26 debt;

27 (b) Payments of all reliefs, judgments, and claims;

28 (c) Other statutory expenditures;

29 (d) Expenditures incident to the operation for each agency;

30 (e) Revenues derived from agency operations;

31 (f) Expenditures and revenues shall be given in comparative form  
32 showing those incurred or received for the immediately past fiscal  
33 period and those anticipated for the current biennium and next ensuing  
34 biennium, as well as those required to support the six-year programs  
35 and financial plans required under RCW 44.40.070;

36 (g) A showing and explanation of amounts of general fund and other  
37 funds obligations for debt service and any transfers of moneys that  
38 otherwise would have been available for appropriation;

39 (h) Common school expenditures on a fiscal-year basis;

1 (i) A showing, by agency, of the value and purpose of financing  
2 contracts for the lease/purchase or acquisition of personal or real  
3 property for the current and ensuing fiscal periods; and

4 (j) A showing and explanation of anticipated amounts of general  
5 fund and other funds required to amortize the unfunded actuarial  
6 accrued liability of the retirement system specified under chapter  
7 41.45 RCW, and the contributions to meet such amortization, stated in  
8 total dollars and as a level percentage of total compensation.

9 (3) A separate capital budget document or schedule shall be  
10 submitted that will contain the following:

11 (a) A statement setting forth a long-range facilities plan for the  
12 state that identifies and includes the highest priority needs within  
13 affordable spending levels;

14 (b) A capital program consisting of proposed capital projects for  
15 the next biennium and the two biennia succeeding the next biennium  
16 consistent with the long-range facilities plan. Inasmuch as is  
17 practical, and recognizing emergent needs, the capital program shall  
18 reflect the priorities, projects, and spending levels proposed in  
19 previously submitted capital budget documents in order to provide a  
20 reliable long-range planning tool for the legislature and state  
21 agencies;

22 (c) A capital plan consisting of proposed capital spending for at  
23 least four biennia succeeding the next biennium;

24 (d) A strategic plan for reducing backlogs of maintenance and  
25 repair projects. The plan shall include a prioritized list of specific  
26 facility deficiencies and capital projects to address the deficiencies  
27 for each agency, cost estimates for each project, a schedule for  
28 completing projects over a reasonable period of time, and  
29 identification of normal maintenance activities to reduce future  
30 backlogs;

31 (e) A statement of the reason or purpose for a project;

32 (f) Verification that a project is consistent with the provisions  
33 set forth in chapter 36.70A RCW;

34 (g) A statement about the proposed site, size, and estimated life  
35 of the project, if applicable;

36 (h) Estimated total project cost;

37 (i) For major projects valued over five million dollars, estimated  
38 costs for the following project components: Acquisition, consultant  
39 services, construction, equipment, project management, and other costs

1 included as part of the project. Project component costs shall be  
2 displayed in a standard format defined by the office of financial  
3 management to allow comparisons between projects;

4 (j) Estimated total project cost for each phase of the project as  
5 defined by the office of financial management;

6 (k) Estimated ensuing biennium costs;

7 (l) Estimated costs beyond the ensuing biennium;

8 (m) Estimated construction start and completion dates;

9 (n) Source and type of funds proposed;

10 (o) Estimated ongoing operating budget costs or savings resulting  
11 from the project, including staffing and maintenance costs;

12 (p) For any capital appropriation requested for a state agency for  
13 the acquisition of land or the capital improvement of land in which the  
14 primary purpose of the acquisition or improvement is recreation or  
15 wildlife habitat conservation, the capital budget document, or an  
16 omnibus list of recreation and habitat acquisitions provided with the  
17 governor's budget document, shall identify the projected costs of  
18 operation and maintenance for at least the two biennia succeeding the  
19 next biennium. Omnibus lists of habitat and recreation land  
20 acquisitions shall include individual project cost estimates for  
21 operation and maintenance as well as a total for all state projects  
22 included in the list. The document shall identify the source of funds  
23 from which the operation and maintenance costs are proposed to be  
24 funded;

25 (q) Such other information bearing upon capital projects as the  
26 governor deems to be useful;

27 (r) Standard terms, including a standard and uniform definition of  
28 normal maintenance, for all capital projects;

29 (s) Such other information as the legislature may direct by law or  
30 concurrent resolution.

31 For purposes of this subsection (3), the term "capital project"  
32 shall be defined subsequent to the analysis, findings, and  
33 recommendations of a joint committee comprised of representatives from  
34 the house capital appropriations committee, senate ways and means  
35 committee, legislative transportation committee, legislative evaluation  
36 and accountability program committee, and office of financial  
37 management.

38 (4) No change affecting the comparability of agency or program  
39 information relating to expenditures, revenues, workload, performance

1 and personnel shall be made in the format of any budget document or  
2 report presented to the legislature under this section or RCW  
3 43.88.160(1) relative to the format of the budget document or report  
4 which was presented to the previous regular session of the legislature  
5 during an odd-numbered year without prior legislative concurrence.  
6 Prior legislative concurrence shall consist of (a) a favorable majority  
7 vote on the proposal by the standing committees on ways and means of  
8 both houses if the legislature is in session or (b) a favorable  
9 majority vote on the proposal by members of the legislative evaluation  
10 and accountability program committee if the legislature is not in  
11 session.

12 **Sec. 911.** RCW 43.320.110 and 2001 2nd sp.s. c 7 s 911 are each  
13 amended to read as follows:

14 There is created a local fund known as the "financial services  
15 regulation fund" which shall consist of all moneys received by the  
16 divisions of the department of financial institutions, except for the  
17 division of securities which shall deposit thirteen percent of all  
18 moneys received, and which shall be used for the purchase of supplies  
19 and necessary equipment; the payment of salaries, wages, and utilities;  
20 the establishment of reserves; and other incidental costs required for  
21 the proper regulation of individuals and entities subject to regulation  
22 by the department. The state treasurer shall be the custodian of the  
23 fund. Disbursements from the fund shall be on authorization of the  
24 director of financial institutions or the director's designee. In  
25 order to maintain an effective expenditure and revenue control, the  
26 fund shall be subject in all respects to chapter 43.88 RCW, but no  
27 appropriation is required to permit expenditures and payment of  
28 obligations from the fund.

29 Between July 1, 2001, and December 31, 2001, the legislature may  
30 transfer up to two million dollars from the financial services  
31 regulation fund to the (~~state general fund~~) digital government  
32 revolving account. During the 2001-2003 fiscal biennium, the  
33 legislature may transfer from the financial services regulation fund to  
34 the state general fund such amounts as reflect the excess fund balance  
35 of the fund and appropriations reductions made by the 2002 supplemental  
36 appropriations act for administrative efficiencies and savings.



1       **Sec. 912.** RCW 48.02.190 and 1987 c 505 s 54 are each amended to  
2 read as follows:

3       (1) As used in this section:

4       (a) "Organization" means every insurer, as defined in RCW  
5 48.01.050, having a certificate of authority to do business in this  
6 state and every health care service contractor registered to do  
7 business in this state. "Class one" organizations shall consist of all  
8 insurers as defined in RCW 48.01.050. "Class two" organizations shall  
9 consist of all organizations registered under provisions of chapter  
10 48.44 RCW.

11       (b) "Receipts" means (i) net direct premiums consisting of direct  
12 gross premiums, as defined in RCW 48.18.170, paid for insurance written  
13 or renewed upon risks or property resident, situated, or to be  
14 performed in this state, less return premiums and premiums on policies  
15 not taken, dividends paid or credited to policyholders on direct  
16 business, and premiums received from policies or contracts issued in  
17 connection with qualified plans as defined in RCW 48.14.021, and (ii)  
18 prepayments to health care service contractors as set forth in RCW  
19 48.44.010(3) less experience rating credits, dividends, prepayments  
20 returned to subscribers, and payments for contracts not taken.

21       (2) The annual cost of operating the office of insurance  
22 commissioner shall be determined by legislative appropriation. A pro  
23 rata share of the cost shall be charged to all organizations. Each  
24 class of organization shall contribute sufficient in fees to the  
25 insurance commissioner's regulatory account to pay the reasonable  
26 costs, including overhead, of regulating that class of organization.

27       (3) Fees charged shall be calculated separately for each class of  
28 organization. The fee charged each organization shall be that portion  
29 of the cost of operating the insurance commissioner's office, for that  
30 class of organization, for the ensuing fiscal year that is represented  
31 by the organization's portion of the receipts collected or received by  
32 all organizations within that class on business in this state during  
33 the previous calendar year: PROVIDED, That the fee shall not exceed  
34 one-eighth of one percent of receipts: PROVIDED FURTHER, That the  
35 minimum fee shall be one thousand dollars.

36       (4) The commissioner shall annually, on or before June 1, calculate  
37 and bill each organization for the amount of its fee. Fees shall be  
38 due and payable no later than June 15 of each year: PROVIDED, That if  
39 the necessary financial records are not available or if the amount of

1 the legislative appropriation is not determined in time to carry out  
2 such calculations and bill such fees within the time specified, the  
3 commissioner may use the fee factors for the prior year as the basis  
4 for the fees and, if necessary, the commissioner may impose  
5 supplemental fees to fully and properly charge the organizations. The  
6 penalties for failure to pay fees when due shall be the same as the  
7 penalties for failure to pay taxes pursuant to RCW 48.14.060. The fees  
8 required by this section are in addition to all other taxes and fees  
9 now imposed or that may be subsequently imposed.

10 (5) All moneys collected shall be deposited in the insurance  
11 commissioner's regulatory account in the state treasury which is hereby  
12 created.

13 (6) Unexpended funds in the insurance commissioner's regulatory  
14 account at the close of a fiscal year shall be carried forward in the  
15 insurance commissioner's regulatory account to the succeeding fiscal  
16 year and shall be used to reduce future fees. During the 2001-2003  
17 fiscal biennium, the legislature may transfer from the insurance  
18 commissioner's regulatory account to the state general fund such  
19 amounts as reflect the appropriations reductions made by the 2002  
20 supplemental appropriations act for administrative efficiencies and  
21 savings.

22 **Sec. 913.** RCW 50.16.010 and 1993 c 483 s 7 and 1993 c 226 s 10 are  
23 each reenacted and amended to read as follows:

24 There shall be maintained as special funds, separate and apart from  
25 all public moneys or funds of this state an unemployment compensation  
26 fund, an administrative contingency fund, and a federal interest  
27 payment fund, which shall be administered by the commissioner  
28 exclusively for the purposes of this title, and to which RCW 43.01.050  
29 shall not be applicable.

30 The unemployment compensation fund shall consist of

31 (1) all contributions and payments in lieu of contributions  
32 collected pursuant to the provisions of this title,

33 (2) any property or securities acquired through the use of moneys  
34 belonging to the fund,

35 (3) all earnings of such property or securities,

36 (4) any moneys received from the federal unemployment account in  
37 the unemployment trust fund in accordance with Title XII of the social  
38 security act, as amended,

1 (5) all money recovered on official bonds for losses sustained by  
2 the fund,

3 (6) all money credited to this state's account in the unemployment  
4 trust fund pursuant to section 903 of the social security act, as  
5 amended,

6 (7) all money received from the federal government as reimbursement  
7 pursuant to section 204 of the federal-state extended compensation act  
8 of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304), and

9 (8) all moneys received for the fund from any other source.

10 All moneys in the unemployment compensation fund shall be  
11 commingled and undivided.

12 The administrative contingency fund shall consist of all interest  
13 on delinquent contributions collected pursuant to this title, all fines  
14 and penalties collected pursuant to the provisions of this title, all  
15 sums recovered on official bonds for losses sustained by the fund, and  
16 revenue received under RCW 50.24.014: PROVIDED, That all fees, fines,  
17 forfeitures and penalties collected or assessed by a district court  
18 because of the violation of a state law shall be remitted as provided  
19 in chapter 3.62 RCW as now exists or is later amended.

20 Moneys available in the administrative contingency fund, other than  
21 money in the special account created under RCW 50.24.014, shall be  
22 expended upon the direction of the commissioner, with the approval of  
23 the governor, whenever it appears to him or her that such expenditure  
24 is necessary for:

25 (a) The proper administration of this title and no federal funds  
26 are available for the specific purpose to which such expenditure is to  
27 be made, provided, the moneys are not substituted for appropriations  
28 from federal funds which, in the absence of such moneys, would be made  
29 available.

30 (b) The proper administration of this title for which purpose  
31 appropriations from federal funds have been requested but not yet  
32 received, provided, the administrative contingency fund will be  
33 reimbursed upon receipt of the requested federal appropriation.

34 (c) The proper administration of this title for which compliance  
35 and audit issues have been identified that establish federal claims  
36 requiring the expenditure of state resources in resolution. Claims  
37 must be resolved in the following priority: First priority is to  
38 provide services to eligible participants within the state; second

1 priority is to provide substitute services or program support; and last  
2 priority is the direct payment of funds to the federal government.

3 (d) During the 2001-2003 fiscal biennium, the cost of worker  
4 retraining programs at community and technical colleges as appropriated  
5 by the legislature.

6 Money in the special account created under RCW 50.24.014 may only  
7 be expended, after appropriation, for the purposes specified in RCW  
8 50.62.010, 50.62.020, 50.62.030, 50.04.070, 50.04.072, 50.16.010,  
9 50.29.025, 50.24.014, 50.44.053, and 50.22.010.

10 **Sec. 914.** RCW 50.20.190 and 2001 c 146 s 7 are each amended to  
11 read as follows:

12 (1) An individual who is paid any amount as benefits under this  
13 title to which he or she is not entitled shall, unless otherwise  
14 relieved pursuant to this section, be liable for repayment of the  
15 amount overpaid. The department shall issue an overpayment assessment  
16 setting forth the reasons for and the amount of the overpayment. The  
17 amount assessed, to the extent not collected, may be deducted from any  
18 future benefits payable to the individual: PROVIDED, That in the  
19 absence of a back pay award, a settlement affecting the allowance of  
20 benefits, fraud, misrepresentation, or willful nondisclosure, every  
21 determination of liability shall be mailed or personally served not  
22 later than two years after the close of or final payment made on the  
23 individual's applicable benefit year for which the purported  
24 overpayment was made, whichever is later, unless the merits of the  
25 claim are subjected to administrative or judicial review in which event  
26 the period for serving the determination of liability shall be extended  
27 to allow service of the determination of liability during the six-month  
28 period following the final decision affecting the claim.

29 (2) The commissioner may waive an overpayment if the commissioner  
30 finds that the overpayment was not the result of fraud,  
31 misrepresentation, willful nondisclosure, or fault attributable to the  
32 individual and that the recovery thereof would be against equity and  
33 good conscience: PROVIDED, HOWEVER, That the overpayment so waived  
34 shall be charged against the individual's applicable entitlement for  
35 the eligibility period containing the weeks to which the overpayment  
36 was attributed as though such benefits had been properly paid.

37 (3) Any assessment herein provided shall constitute a determination  
38 of liability from which an appeal may be had in the same manner and to

1 the same extent as provided for appeals relating to determinations in  
2 respect to claims for benefits: PROVIDED, That an appeal from any  
3 determination covering overpayment only shall be deemed to be an appeal  
4 from the determination which was the basis for establishing the  
5 overpayment unless the merits involved in the issue set forth in such  
6 determination have already been heard and passed upon by the appeal  
7 tribunal. If no such appeal is taken to the appeal tribunal by the  
8 individual within thirty days of the delivery of the notice of  
9 determination of liability, or within thirty days of the mailing of the  
10 notice of determination, whichever is the earlier, the determination of  
11 liability shall be deemed conclusive and final. Whenever any such  
12 notice of determination of liability becomes conclusive and final, the  
13 commissioner, upon giving at least twenty days notice by certified mail  
14 return receipt requested to the individual's last known address of the  
15 intended action, may file with the superior court clerk of any county  
16 within the state a warrant in the amount of the notice of determination  
17 of liability plus a filing fee under RCW 36.18.012(10). The clerk of  
18 the county where the warrant is filed shall immediately designate a  
19 superior court cause number for the warrant, and the clerk shall cause  
20 to be entered in the judgment docket under the superior court cause  
21 number assigned to the warrant, the name of the person(s) mentioned in  
22 the warrant, the amount of the notice of determination of liability,  
23 and the date when the warrant was filed. The amount of the warrant as  
24 docketed shall become a lien upon the title to, and any interest in,  
25 all real and personal property of the person(s) against whom the  
26 warrant is issued, the same as a judgment in a civil case duly docketed  
27 in the office of such clerk. A warrant so docketed shall be sufficient  
28 to support the issuance of writs of execution and writs of garnishment  
29 in favor of the state in the manner provided by law for a civil  
30 judgment. A copy of the warrant shall be mailed to the person(s)  
31 mentioned in the warrant by certified mail to the person's last known  
32 address within five days of its filing with the clerk.

33 (4) On request of any agency which administers an employment  
34 security law of another state, the United States, or a foreign  
35 government and which has found in accordance with the provisions of  
36 such law that a claimant is liable to repay benefits received under  
37 such law, the commissioner may collect the amount of such benefits from  
38 the claimant to be refunded to the agency. In any case in which under  
39 this section a claimant is liable to repay any amount to the agency of

1 another state, the United States, or a foreign government, such amounts  
2 may be collected without interest by civil action in the name of the  
3 commissioner acting as agent for such agency if the other state, the  
4 United States, or the foreign government extends such collection rights  
5 to the employment security department of the state of Washington, and  
6 provided that the court costs be paid by the governmental agency  
7 benefiting from such collection.

8 (5) Any employer who is a party to a back pay award or settlement  
9 due to loss of wages shall, within thirty days of the award or  
10 settlement, report to the department the amount of the award or  
11 settlement, the name and social security number of the recipient of the  
12 award or settlement, and the period for which it is awarded. When an  
13 individual has been awarded or receives back pay, for benefit purposes  
14 the amount of the back pay shall constitute wages paid in the period  
15 for which it was awarded. For contribution purposes, the back pay  
16 award or settlement shall constitute wages paid in the period in which  
17 it was actually paid. The following requirements shall also apply:

18 (a) The employer shall reduce the amount of the back pay award or  
19 settlement by an amount determined by the department based upon the  
20 amount of unemployment benefits received by the recipient of the award  
21 or settlement during the period for which the back pay award or  
22 settlement was awarded;

23 (b) The employer shall pay to the unemployment compensation fund,  
24 in a manner specified by the commissioner, an amount equal to the  
25 amount of such reduction;

26 (c) The employer shall also pay to the department any taxes due for  
27 unemployment insurance purposes on the entire amount of the back pay  
28 award or settlement notwithstanding any reduction made pursuant to (a)  
29 of this subsection;

30 (d) If the employer fails to reduce the amount of the back pay  
31 award or settlement as required in (a) of this subsection, the  
32 department shall issue an overpayment assessment against the recipient  
33 of the award or settlement in the amount that the back pay award or  
34 settlement should have been reduced; and

35 (e) If the employer fails to pay to the department an amount equal  
36 to the reduction as required in (b) of this subsection, the department  
37 shall issue an assessment of liability against the employer which shall  
38 be collected pursuant to the procedures for collection of assessments  
39 provided herein and in RCW 50.24.110.

1 (6) When an individual fails to repay an overpayment assessment  
2 that is due and fails to arrange for satisfactory repayment terms, the  
3 commissioner shall impose an interest penalty of one percent per month  
4 of the outstanding balance. Interest shall accrue immediately on  
5 overpayments assessed pursuant to RCW 50.20.070 and shall be imposed  
6 when the assessment becomes final. For any other overpayment, interest  
7 shall accrue when the individual has missed two or more of their  
8 monthly payments either partially or in full. The interest penalty  
9 shall be used to fund detection and recovery of overpayment and  
10 collection activities, and worker retraining programs at the community  
11 and technical colleges as appropriated by the legislature.

12 **Sec. 915.** RCW 51.44.170 and 1997 c 327 s 1 are each amended to  
13 read as follows:

14 The industrial insurance premium refund account is created in the  
15 custody of the state treasurer. All industrial insurance refunds  
16 earned by state agencies or institutions of higher education under the  
17 state fund retrospective rating program shall be deposited into the  
18 account. The account is subject to the allotment procedures under  
19 chapter 43.88 RCW, but no appropriation is required for expenditures  
20 from the account. Only the executive head of the agency or institution  
21 of higher education, or designee, may authorize expenditures from the  
22 account. No agency or institution of higher education may make an  
23 expenditure from the account for an amount greater than the refund  
24 earned by the agency. If the agency or institution of higher education  
25 has staff dedicated to workers' compensation claims management,  
26 expenditures from the account must be used to pay for that staff, but  
27 additional expenditure from the account may be used for any program  
28 within an agency or institution of higher education that promotes or  
29 provides incentives for employee workplace safety and health and early,  
30 appropriate return-to-work for injured employees. During the 2001-2003  
31 fiscal biennium, the legislature may transfer from the industrial  
32 insurance premium refund account to the state general fund such amounts  
33 as reflect the reductions made by the 2002 supplemental appropriations  
34 act for administrative efficiencies and savings.

35 **Sec. 916.** RCW 66.08.170 and 1961 ex.s. c 6 s 1 are each amended to  
36 read as follows:

1        There shall be a fund, known as the "liquor revolving fund", which  
2 shall consist of all license fees, permit fees, penalties, forfeitures,  
3 and all other moneys, income, or revenue received by the board. The  
4 state treasurer shall be custodian of the fund. All moneys received by  
5 the board or any employee thereof, except for change funds and an  
6 amount of petty cash as fixed by the board within the authority of law  
7 shall be deposited each day in a depository approved by the state  
8 treasurer and transferred to the state treasurer to be credited to the  
9 liquor revolving fund. During the 2001-2003 fiscal biennium, the  
10 legislature may transfer from the liquor revolving account to the state  
11 general fund such amounts as reflect the excess fund balance of the  
12 fund and reductions made by the 2002 supplemental appropriations act  
13 for administrative efficiencies and savings. Disbursements from the  
14 revolving fund shall be on authorization of the board or a duly  
15 authorized representative thereof. In order to maintain an effective  
16 expenditure and revenue control the liquor revolving fund shall be  
17 subject in all respects to chapter 43.88 RCW but no appropriation shall  
18 be required to permit expenditures and payment of obligations from such  
19 fund.

20        **Sec. 917.** RCW 66.08.235 and 1997 c 75 s 1 are each amended to read  
21 as follows:

22        The liquor control board construction and maintenance account is  
23 created within the state treasury. The liquor control board shall  
24 deposit into this account a portion of the board's markup, as  
25 authorized by chapter 66.16 RCW, placed upon liquor as determined by  
26 the board. Moneys in the account may be spent only after  
27 appropriation. The liquor control board shall use deposits to this  
28 account to fund construction and maintenance of a centralized  
29 distribution center for liquor products intended for sale through the  
30 board's liquor store and vendor system. During the 2001-2003 fiscal  
31 biennium, the legislature may transfer from the liquor control board  
32 construction and maintenance account to the state general fund such  
33 amounts as reflect the excess fund balance of the account.

34        **Sec. 918.** RCW 67.70.260 and 1985 c 375 s 6 are each amended to  
35 read as follows:

36        There is hereby created the lottery administrative account in the  
37 state treasury. The account shall be managed, controlled, and



1 maintained by the director. The legislature may appropriate from the  
2 account for the payment of costs incurred in the operation and  
3 administration of the lottery. During the 2001-2003 fiscal biennium,  
4 the legislature may transfer from the lottery administrative account to  
5 the state general fund such amounts as reflect the appropriations  
6 reductions made by the 2002 supplemental appropriations act for  
7 administrative efficiencies and savings.

8       **Sec. 919.** RCW 69.50.520 and 2001 2nd sp.s. c 7 s 920 and 2001 c  
9 168 s 3 are each reenacted and amended to read as follows:

10       The violence reduction and drug enforcement account is created in  
11 the state treasury. All designated receipts from RCW 9.41.110(8),  
12 66.24.210(4), 66.24.290(2), 69.50.505(i)(1), 82.08.150(5),  
13 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989  
14 shall be deposited into the account. Expenditures from the account may  
15 be used only for funding services and programs under chapter 271, Laws  
16 of 1989 and chapter 7, Laws of 1994 sp. sess., including state  
17 incarceration costs. Funds from the account may also be appropriated  
18 to reimburse local governments for costs associated with implementing  
19 criminal justice legislation including chapter 338, Laws of 1997.  
20 During the 2001-2003 biennium, funds from the account may also be used  
21 for costs associated with providing grants to local governments in  
22 accordance with chapter 338, Laws of 1997, the replacement of the  
23 department of corrections' offender-based tracking system, maintenance  
24 and operating costs of the Washington association of sheriffs and  
25 police chiefs jail reporting system, and for multijurisdictional  
26 narcotics task forces. (~~(After July 1, 2003, at least seven and one-~~  
27 ~~half percent of expenditures from the account shall be used for~~  
28 ~~providing grants to community networks under chapter 70.190 RCW by the~~  
29 ~~family policy council.))~~)

30       **Sec. 920.** RCW 70.146.030 and 2001 2nd sp.s. c 7 s 922 are each  
31 amended to read as follows:

32       (1) The water quality account is hereby created in the state  
33 treasury. Moneys in the account may be used only in a manner  
34 consistent with this chapter. Moneys deposited in the account shall be  
35 administered by the department of ecology and shall be subject to  
36 legislative appropriation. Moneys placed in the account shall include  
37 tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390,

1 principal and interest from the repayment of any loans granted pursuant  
2 to this chapter, and any other moneys appropriated to the account by  
3 the legislature.

4 (2) The department may use or permit the use of any moneys in the  
5 account to make grants or loans to public bodies, including grants to  
6 public bodies as cost-sharing moneys in any case where federal, local,  
7 or other funds are made available on a cost-sharing basis, for water  
8 pollution control facilities and activities, or for purposes of  
9 assisting a public body to obtain an ownership interest in water  
10 pollution control facilities and/or to defray a part of the payments  
11 made by a public body to a service provider under a service agreement  
12 entered into pursuant to RCW 70.150.060, within the purposes of this  
13 chapter and for related administrative expenses. For the period July  
14 1, 2001, to June 30, 2003, moneys in the account may be used to process  
15 applications received by the department that seek to make changes to or  
16 transfer existing water rights and for grants and technical assistance  
17 to public bodies for watershed planning under chapter 90.82 RCW. No  
18 more than three percent of the moneys deposited in the account may be  
19 used by the department to pay for the administration of the grant and  
20 loan program authorized by this chapter.

21 (3) Beginning with the biennium ending June 30, 1997, the  
22 department shall present a biennial progress report on the use of  
23 moneys from the account to the chairs of the senate committee on ways  
24 and means and the house of representatives committee on appropriations.  
25 The first report is due June 30, 1996, and the report for each  
26 succeeding biennium is due December 31 of the odd-numbered year. The  
27 report shall consist of a list of each recipient, project description,  
28 and amount of the grant, loan, or both.

29 (4) During the fiscal biennium ending June 30, 1997, moneys in the  
30 account may be transferred by the legislature to the water right permit  
31 processing account.

32 **Sec. 921.** RCW 80.01.080 and 2001 c 238 s 8 are each amended to  
33 read as follows:

34 ~~((The transportation revolving fund and the public utilities~~  
35 ~~revolving fund are abolished as of April 1, 1949, and as of such date))~~  
36 There is created in the state treasury a ((\*)public service revolving  
37 fund(( \* to which shall be transferred all moneys which then remain on  
38 hand to the credit of the transportation revolving fund and the public

1 ~~utilities revolving fund, subject, however, to outstanding warrants and~~  
2 ~~other obligations chargeable to appropriations made from such funds.~~  
3 ~~From and after April 1, 1949,))~~. Regulatory fees payable by all types  
4 of public service companies shall be deposited to the credit of the  
5 public service revolving fund. Except for expenses payable out of the  
6 pipeline safety account, all expense of operation of the Washington  
7 utilities and transportation commission shall be payable out of the  
8 public service revolving fund.

9 During the 2001-2003 fiscal biennium, the legislature may transfer  
10 from the public service revolving fund to the state general fund such  
11 amounts as reflect the appropriations reductions made by the 2002  
12 supplemental appropriations act for administrative efficiencies and  
13 savings.

14 NEW SECTION. Sec. 922. If any provision of this act or its  
15 application to any person or circumstance is held invalid, the  
16 remainder of the act or the application of the provision to other  
17 persons or circumstances is not affected.

18 NEW SECTION. Sec. 923. This act is necessary for the immediate  
19 preservation of the public peace, health, or safety, or support of the  
20 state government and its existing public institutions, and takes effect  
21 immediately.

22 (End of part)

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