
**SENATE 2002 SUPPLEMENTAL
OPERATING BUDGET BILL
(SSB 6387)**

SENATE COMMITTEE



3

**SENATE WAYS AND MEANS COMMITTEE
MARCH 6, 2002**

BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: S-4697.4/02 4th draft

ATTY/TYPIST: LL:seg

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

1 AN ACT Relating to fiscal matters; amending RCW 9.46.100, 28B.50.837,
2 38.52.106, 38.52.540, 41.06.150, 43.10.220, 43.30.360, 43.33A.160,
3 43.72.900, 43.83B.430, 43.88.030, 43.320.110, 46.09.110, 46.10.075,
4 48.02.190, 49.70.170, 50.20.190, 51.44.170, 66.08.235, 67.16.100, 67.40.025,
5 67.70.260, 70.93.180, 70.94.015, 70.95E.080, 70.105D.070, 70.146.030,
6 70.168.040, 77.12.170, 77.44.050, 79.24.580, 79A.05.215, 80.01.080,
7 82.29A.080, 90.48.465, and 90.56.510; amending 2001 2nd sp.s. c 7 ss 101,
8 102, 103, 104, 105, 106, 107, 109, 110, 111, 112, 113, 114, 115, 117, 118,
9 120, 121, 123, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136,
10 137, 138, 139, 142, 143, 144, 147, 148, 149, 151, 152, 153, 154, 201, 202,
11 203, 204, 205, 206, 207, 208, 209, 210, 211, 213, 214, 215, 216, 217, 218,
12 219, 220, 221, 222, 223, 224, 301, 302, 303, 304, 305, 306, 307, 308, 309,
13 401, 402, 501, 502, 503, 504, 505, 507, 508, 509, 510, 511, 512, 513, 514,
14 515, 516, 517, 519, 521, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610,
15 611, 612, 613, 614, 615, 616, 617, 618, 619, 701, 702, 703, 704, 706, 713,
16 716, 717, 719, 720, 722, 723, 724, 727, 728, 730, 801, and 805 (uncodified);
17 reenacting and amending RCW 50.16.010 and 69.50.520; adding new sections to
18 2001 2nd sp.s. c 7 (uncodified); making appropriations; and declaring an
19 emergency.

20 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

| | |
|--|---------------------------|
| General Fund--State Appropriation (FY 2002) . . . \$ | 28,313,000 |
| General Fund--State Appropriation (FY 2003) . . . \$ | ((28,497,000)) |
| | <u>27,687,000</u> |
| Department of Retirement Systems Expense Account-- | |
| State Appropriation \$ | 45,000 |
| TOTAL APPROPRIATION \$ | ((56,855,000)) |
| | <u>56,045,000</u> |

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

| | |
|--|---------------------------|
| General Fund--State Appropriation (FY 2002) . . . \$ | 22,863,000 |
| General Fund--State Appropriation (FY 2003) . . . \$ | ((23,999,000)) |
| | <u>23,375,000</u> |
| Department of Retirement Systems Expense Account-- | |
| State Appropriation \$ | 45,000 |
| TOTAL APPROPRIATION \$ | ((46,907,000)) |
| | <u>46,283,000</u> |

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 year
2 2002 is provided for the legislature to continue the services of expert
3 counsel on legal and policy issues relating to services for persons with
4 developmental disabilities.

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

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

| | | |
|----|--|------------------|
| 8 | General Fund--State Appropriation (FY 2002) . . \$ | ((2,436,000)) |
| 9 | | <u>2,191,000</u> |
| 10 | General Fund--State Appropriation (FY 2003) . . \$ | ((1,938,000)) |
| 11 | | <u>1,968,000</u> |
| 12 | TOTAL APPROPRIATION \$ | ((4,374,000)) |
| 13 | | <u>4,159,000</u> |

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

16 (1) (~~(\$150,000)~~) \$75,000 of the general fund--state appropriation for
17 fiscal year 2002 and (~~(\$75,000)~~) \$275,000 of the general fund--state
18 appropriation for fiscal year 2003 are provided solely for the joint
19 legislative audit and review committee to conduct program evaluations and
20 data analysis of the developmental disabilities program. These studies
21 shall include an evaluation of the (~~(client)~~) outcomes of clients in the
22 high school transition program (~~(operated by the department of social and~~
23 ~~health services division of developmental disabilities. The study shall~~
24 ~~identify the different approaches that have been used in providing~~
25 ~~transition services and whether some approaches are more or less successful~~
26 ~~in helping young adults with developmental disabilities achieve greater~~
27 ~~levels of independence. The study shall evaluate how transition programs~~
28 ~~reduce the level of support provided to clients as they achieve greater~~
29 ~~levels of independence,)) and whether the program helps clients achieve
30 greater levels of independence and reduces the level of support services
31 provided to clients as they achieve greater levels of independence. An
32 analysis of service utilization and eligibility determination for clients
33 receiving services from the developmental disabilities program shall be
34 conducted in cooperation with interim studies by legislative fiscal and
35 policy staff. Preliminary study results shall be submitted to the
36 appropriate committees of the legislature by December 1, 2002. The final
37 report shall be submitted no later than June 30, 2003.~~

1 (2) \$50,000 of the general fund--state appropriation for fiscal year
2 2002 is provided solely for the joint legislative audit and review committee
3 to conduct a capacity planning study of the capital facilities of the state
4 school for the deaf. The committee's study shall be carried out in
5 conjunction with the study of educational service delivery models conducted
6 by the state institute for public policy. The study shall be submitted to
7 the fiscal committees of the legislature by September 30, 2002.

8 (3) (~~(\$35,000 of the general fund--state appropriation for fiscal year~~
9 ~~2002 is provided solely for)~~) The joint legislative audit and review
10 committee (~~(to)~~) shall conduct a review of water conservancy boards. The
11 review shall include an assessment of the operating costs of existing
12 boards; the sources of funding for board operations; sources of in-kind
13 support for board operations; assessment of the value of water rights
14 subject to change or transfer decisions; the range of costs of processing
15 water right transfer applications by the boards as well as by the department
16 of ecology for applications filed directly with the department; the costs
17 to the department of training, assistance, and review of board
18 recommendations on applications; board membership and board recordkeeping;
19 and public participation procedures for both the water conservancy boards
20 and the department of ecology. The committee shall submit its review by
21 (~~(January 1, 2003)~~) December 1, 2004, to the appropriate policy and fiscal
22 committees of the legislature.

23 (4) \$40,000 of the general fund--state appropriation for fiscal year
24 2002 is provided solely for a follow-up review to report number 98-3, the
25 performance audit of the department of corrections. The follow-up study
26 shall include but not be limited to a review of:

- 27 (a) Community supervision activities performed by the department;
- 28 (b) The implementation of risk-based classification and community
29 placement models;
- 30 (c) The early implementation of the offender accountability act; an
- 31 (d) The cost impacts of the risk-based models and the offender
32 accountability act.

33 The committee shall consult with the Washington state institute for
34 public policy regarding data and findings from the institute's current
35 studies on these issues. A report of the follow-up study shall be submitted
36 to the relevant policy and fiscal committees of the legislature by December
37 21, 2001. Upon the completion of the follow-up review, the committee shall
38 make a determination whether an additional phase of study is needed. If
39 further study is indicated, the committee shall submit to the relevant

1 policy and fiscal committees of the legislature its plan and cost estimate
2 for such study by March 29, 2002.

3 (5) \$140,000 of the general fund--state appropriation for fiscal year
4 2002 is provided for a study of children's mental health in Washington. The
5 study shall include but not be limited to:

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

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

9 (c) A review of the availability and reliability of fiscal, program,
10 and outcome data relating to mental health services provided to children;
11 and

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

14 The committee shall make recommendations, as appropriate, for the
15 improvement of services and system performance, including the need for
16 performance and client outcome measures. The committee may contract for
17 consulting services in conducting the study. The committee shall submit a
18 report to the appropriate policy and fiscal committees of the legislature
19 by July 1, 2002.

20 (6) Within the amounts provided in this section, the joint legislative
21 audit and review committee shall conduct a study of the Washington
22 management service. The study shall include findings regarding (a) growth
23 in the number of positions in the Washington management service, (b) growth
24 in salary levels and structure since the Washington management service's
25 inception, and (c) other compensation practices used within the Washington
26 management service. The department of personnel shall cooperate with the
27 committee in conducting the study and provide information as requested by
28 the committee. The committee shall provide a report to the fiscal
29 committees of the legislature by December 31, 2001.

30 (7) Within the amounts provided in this section, the joint legislative
31 audit and review committee shall review all aspects of the mental health
32 prevalence study completed in accordance with section 204 of this act,
33 including but not limited to the contractor selection process, if any; the
34 study design and workplan; the implementation of the study; and the draft
35 and final reports.

36 (8) The committee shall study and report on pipeline safety as provided
37 in section 149 of this act.

1 **Sec. 104.** 2001 2nd sp.s. c 7 s 104 (uncodified) is amended to read as
2 follows:

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

| | | |
|----|--|--------------------------|
| 4 | General Fund--State Appropriation (FY 2002) . . . \$ | 1,329,000 |
| 5 | General Fund--State Appropriation (FY 2003) . . . \$ | ((1,462,000)) |
| 6 | | <u>1,418,000</u> |
| 7 | Public Works Assistance Account--State | |
| 8 | Appropriation \$ | 203,000 |
| 9 | TOTAL APPROPRIATION \$ | ((2,994,000)) |
| 10 | | <u>2,950,000</u> |

11 **Sec. 105.** 2001 2nd sp.s. c 7 s 105 (uncodified) is amended to read as
12 follows:

13 **FOR THE OFFICE OF THE STATE ACTUARY**

| | | |
|----|--|--------------------------|
| 14 | Department of Retirement Systems Expense Account-- | |
| 15 | State Appropriation \$ | ((1,923,000)) |
| 16 | | <u>2,054,000</u> |

17 The appropriation in this section is subject to the following
18 conditions and limitations: The joint committee on pension policy, in
19 collaboration with various interested parties, shall study issues of pension
20 governance and recommend legislation for consideration in the 2002
21 legislative session.

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

24 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

| | | |
|----|--|---------------------------|
| 25 | General Fund--State Appropriation (FY 2002) . . . \$ | 6,421,000 |
| 26 | General Fund--State Appropriation (FY 2003) . . . \$ | ((7,043,000)) |
| 27 | | <u>6,861,000</u> |
| 28 | TOTAL APPROPRIATION \$ | ((13,464,000)) |
| 29 | | <u>13,282,000</u> |

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

32 **FOR THE STATUTE LAW COMMITTEE**

| | | |
|----|--|--------------------------|
| 33 | General Fund--State Appropriation (FY 2002) . . . \$ | 3,909,000 |
| 34 | General Fund--State Appropriation (FY 2003) . . . \$ | ((4,038,000)) |
| 35 | | <u>3,923,000</u> |

1 TOTAL APPROPRIATION \$ ((~~7,947,000~~))
2 7,832,000

3 The appropriations in this section are subject to the following
4 conditions and limitations: \$41,000 of the general fund fiscal year 2002
5 appropriation and \$43,000 of the general fund fiscal year 2003 appropriation
6 are provided solely for the uniform legislation commission.

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

9 **FOR THE SUPREME COURT**

10 General Fund--State Appropriation (FY 2002) . . \$ ((~~5,423,000~~))
11 5,500,000
12 General Fund--State Appropriation (FY 2003) . . \$ ((~~5,510,000~~))
13 5,495,000
14 TOTAL APPROPRIATION \$ ((~~10,933,000~~))
15 10,995,000

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

18 **FOR THE LAW LIBRARY**

19 General Fund--State Appropriation (FY 2002) . . \$ 1,982,000
20 General Fund--State Appropriation (FY 2003) . . \$ ((~~1,983,000~~))
21 1,924,000
22 TOTAL APPROPRIATION \$ ((~~3,965,000~~))
23 3,906,000

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

26 **FOR THE COURT OF APPEALS**

27 General Fund--State Appropriation (FY 2002) . . \$ ((~~12,746,000~~))
28 12,894,000
29 General Fund--State Appropriation (FY 2003) . . \$ ((~~12,878,000~~))
30 12,749,000
31 TOTAL APPROPRIATION \$ ((~~25,624,000~~))
32 25,643,000

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

1 (1) \$505,000 of the general fund--state appropriation for fiscal year
 2 2002 and \$606,000 of the general fund--state appropriation for fiscal year
 3 2003 are provided solely for lease increases associated with the division
 4 I facility. (~~Within the funds provided in this subsection, the court of
 5 appeals shall conduct a space planning study exploring options dealing with
 6 remodeling existing space to accommodate needs and evaluating the cost and
 7 benefits of moving to another location.~~)

8 (2) \$168,000 of the general fund--state appropriation for fiscal year
 9 2002 and \$159,000 of the general fund--state appropriation for fiscal year
 10 2003 are provided solely for providing compensation adjustments to
 11 nonjudicial staff of the court of appeals. Within the funds provided in
 12 this subsection, the court of appeals shall determine the specific positions
 13 to receive compensation adjustments based on recruitment and retention
 14 difficulties, new duties or responsibilities assigned, and salary inversion
 15 or compression within the court of appeals.

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

18 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

| | | |
|----|--|--------------------------|
| 19 | General Fund--State Appropriation (FY 2002) . . . \$ | 955,000 |
| 20 | General Fund--State Appropriation (FY 2003) . . . \$ | ((969,000)) |
| 21 | | <u>940,000</u> |
| 22 | TOTAL APPROPRIATION \$ | ((1,924,000)) |
| 23 | | <u>1,895,000</u> |

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

26 **FOR THE ADMINISTRATOR FOR THE COURTS**

| | | |
|----|--|---------------------------|
| 27 | General Fund--State Appropriation (FY 2002) . . . \$ | ((14,247,000)) |
| 28 | | <u>14,900,000</u> |
| 29 | General Fund--State Appropriation (FY 2003) . . . \$ | ((14,386,000)) |
| 30 | | <u>15,388,000</u> |
| 31 | Public Safety and Education Account--State | |
| 32 | Appropriation \$ | ((29,634,000)) |
| 33 | | <u>27,251,000</u> |
| 34 | Judicial Information Systems Account--State | |
| 35 | Appropriation \$ | 27,758,000 |
| 36 | TOTAL APPROPRIATION \$ | ((86,025,000)) |
| 37 | | <u>85,297,000</u> |

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

3 (1) Funding provided in the judicial information systems account
4 appropriation shall be used for the operations and maintenance of technology
5 systems that improve services provided by the supreme court, the court of
6 appeals, the office of public defense, and the administrator for the courts.

7 (2) No moneys appropriated in this section may be expended by the
8 administrator for the courts for payments in excess of fifty percent of the
9 employer contribution on behalf of superior court judges for insurance and
10 health care plans and federal social security and medicare and medical aid
11 benefits. As required by Article IV, section 13 of the state Constitution
12 and 1996 Attorney General's Opinion No. 2, it is the intent of the
13 legislature that the costs of these employer contributions shall be shared
14 equally between the state and county or counties in which the judges serve.
15 The administrator for the courts shall continue to implement procedures for
16 the collection and disbursement of these employer contributions. During
17 each fiscal year in the 2001-03 biennium, the office of the administrator
18 for the courts shall send written notice to the office of community
19 development in the department of community, trade, and economic development
20 when each county pays its fifty percent share for the year.

21 (3) \$223,000 of the public safety and education account appropriation
22 is provided solely for the gender and justice commission.

23 (4) \$308,000 of the public safety and education account appropriation
24 is provided solely for the minority and justice commission.

25 (5) \$278,000 of the general fund--state appropriation for fiscal year
26 2002, \$285,000 of the general fund--state appropriation for fiscal year
27 2003, and \$263,000 of the public safety and education account appropriation
28 are provided solely for the workload associated with tax warrants and other
29 state cases filed in Thurston county.

30 (6) \$750,000 of the general fund--state appropriation for fiscal year
31 2002 and \$750,000 of the general fund--state appropriation for fiscal year
32 2003 are provided solely for court-appointed special advocates in dependency
33 matters. The administrator for the courts, after consulting with the
34 association of juvenile court administrators and the association of court-
35 appointed special advocate/guardian ad litem programs, shall distribute the
36 funds to volunteer court-appointed special advocate/guardian ad litem
37 programs. The distribution of funding shall be based on the number of
38 children who need volunteer court-appointed special advocate representation
39 and shall be equally accessible to all volunteer court-appointed special

1 advocate/guardian ad litem programs. The administrator for the courts shall
2 not retain more than six percent of total funding to cover administrative
3 or any other agency costs.

4 (7) \$750,000 of the public safety and education account--state
5 appropriation is provided solely for judicial program enhancements. Within
6 the funding provided in this subsection, the administrator for the courts,
7 in consultation with the supreme court, shall determine the program or
8 programs to receive an enhancement. Among the programs that may be funded
9 from the amount provided in this subsection are unified family courts.

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

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

26 **FOR THE OFFICE OF PUBLIC DEFENSE**

| | | |
|----|---|-----------------------------|
| 27 | General Fund--State Appropriation (FY 2002) . . . \$ | 600,000 |
| 28 | <u>General Fund--State Appropriation (FY 2003) . . . \$</u> | <u>400,000</u> |
| 29 | Public Safety and Education Account--State | |
| 30 | Appropriation \$ | ((12,626,000)) |
| 31 | | <u>12,247,000</u> |
| 32 | TOTAL APPROPRIATION \$ | ((13,226,000)) |
| 33 | | <u>13,247,000</u> |

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

36 (1) (~~(\$233,000))~~ \$204,000 of the public safety and education account
37 appropriation is provided solely to increase the reimbursement for private

1 attorneys providing constitutionally mandated indigent defense in nondeath
2 penalty cases.

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

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

9 (4) The (~~entire~~) general fund--state appropriations (~~is~~) are
10 provided solely for the continuation of a dependency and termination legal
11 representation funding pilot program.

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

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

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

25 (iii) Use of investigative and expert services in appropriate cases;
26 and

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

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

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

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

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

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

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

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

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

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

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

19 **FOR THE OFFICE OF THE GOVERNOR**

| | | |
|----|--|-----------------------------|
| 20 | General Fund--State Appropriation (FY 2002) . . . \$ | 4,537,000 |
| 21 | General Fund--State Appropriation (FY 2003) . . . \$ | ((4,524,000)) |
| 22 | | <u>4,247,000</u> |
| 23 | General Fund--Federal Appropriation \$ | 219,000 |
| 24 | Water Quality Account--State | |
| 25 | Appropriation \$ | ((3,908,000)) |
| 26 | | <u>3,726,000</u> |
| 27 | TOTAL APPROPRIATION \$ | ((13,188,000)) |
| 28 | | <u>12,729,000</u> |

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

31 (1) ((~~\$3,908,000~~)) \$3,726,000 of the water quality account
32 appropriation and \$219,000 of the general fund--federal appropriation are
33 provided solely for the Puget Sound water quality action team to implement
34 the Puget Sound work plan and agency action items PSAT-01 through PSAT-05.

35 (2) \$100,000 of the general fund--state appropriation for fiscal year
36 2002 ((and \$100,000 of the general fund--state appropriation for fiscal year

1 ~~2003 are~~) is provided solely for the salmon recovery office to support the
2 efforts of the independent science panel.

3 **Sec. 115.** 2001 2nd sp.s. c 7 s 117 (uncodified) is amended to read as
4 follows:

5 **FOR THE PUBLIC DISCLOSURE COMMISSION**

| | | |
|----|--|----------------------------|
| 6 | General Fund--State Appropriation (FY 2002) . . . \$ | 1,910,000 |
| 7 | General Fund--State Appropriation (FY 2003) . . . \$ | ((1,903,000)) |
| 8 | | <u>1,831,000</u> |
| 9 | TOTAL APPROPRIATION \$ | ((3,813,000)) |
| 10 | | <u>3,741,000</u> |

11 **Sec. 116.** 2001 2nd sp.s. c 7 s 118 (uncodified) is amended to read as
12 follows:

13 **FOR THE SECRETARY OF STATE**

| | | |
|----|--|-----------------------------|
| 14 | General Fund--State Appropriation (FY 2002) . . . \$ | ((10,513,000)) |
| 15 | | <u>10,175,000</u> |
| 16 | General Fund--State Appropriation (FY 2003) . . . \$ | ((8,707,000)) |
| 17 | | <u>6,351,000</u> |
| 18 | Archives and Records Management Account--State | |
| 19 | Appropriation \$ | ((7,295,000)) |
| 20 | | <u>7,796,000</u> |
| 21 | Archives and Records Management Account--Private/ | |
| 22 | Local Appropriation \$ | ((3,860,000)) |
| 23 | | <u>4,572,000</u> |
| 24 | Department of Personnel Service Account | |
| 25 | Appropriation \$ | ((719,000)) |
| 26 | | <u>701,000</u> |
| 27 | TOTAL APPROPRIATION \$ | ((31,094,000)) |
| 28 | | <u>29,595,000</u> |

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

31 (1) ((~~\$2,296,000~~)) \$1,796,000 of the general fund--state appropriation
32 for fiscal year 2002 is provided solely to reimburse counties for the
33 state's share of primary and general election costs and the costs of
34 conducting mandatory recounts on state measures. Counties shall be
35 reimbursed only for those odd-year election costs that the secretary of
36 state validates as eligible for reimbursement.

1 (2) (~~(\$2,193,000)~~) \$2,143,000 of the general fund--state appropriation
2 for fiscal year 2002 and (~~(\$2,712,000)~~) \$2,578,000 of the general fund--
3 state appropriation for fiscal year 2003 are provided solely for the
4 verification of initiative and referendum petitions, maintenance of related
5 voter registration records, and the publication and distribution of the
6 voters and candidates pamphlet.

7 (3) \$125,000 of the general fund--state appropriation for fiscal year
8 2002 and (~~(\$125,000)~~) \$118,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for legal advertising of state measures
10 under RCW 29.27.072.

11 (4)(a) \$1,944,004 of the general fund--state appropriation for fiscal
12 year 2002 and \$1,986,772 of the general fund--state appropriation for fiscal
13 year 2003 are provided solely for contracting with a nonprofit organization
14 to produce gavel-to-gavel television coverage of state government
15 deliberations and other events of statewide significance during the 2001-
16 2003 biennium. An eligible nonprofit organization must be formed solely for
17 the purpose of, and be experienced in, providing gavel-to-gavel television
18 coverage of state government deliberations and other events of statewide
19 significance and must have received a determination of tax-exempt status
20 under section 501(c)(3) of the federal internal revenue code. The funding
21 level for each year of the contract shall be based on the amount provided
22 in this subsection and adjusted to reflect the implicit price deflator for
23 the previous year. The nonprofit organization shall be required to raise
24 contributions or commitments to make contributions, in cash or in kind, in
25 an amount equal to forty percent of the state contribution. The office of
26 the secretary of state may make full or partial payment once all criteria
27 in (a) and (b) of this subsection have been satisfactorily documented.

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

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

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

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

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

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

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

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

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

19 (b) \$613,879 of the archives and records management--state
20 appropriation and \$463,102 of the archives and records management--
21 private/local appropriation are provided solely for the design and
22 establishment of an electronic data archive, including the acquisition of
23 hardware and software. The amounts provided in this subsection shall lapse
24 if:

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

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

30 (6) If the financing contract for expansion of the state records center
31 is not authorized in the capital budget for fiscal biennium 2001-03, then
32 \$641,000 of the archives and records management account--state appropriation
33 shall lapse.

34 (7) (~~(\$867,000)~~) \$1,635,000 of the archives and records management
35 account--state appropriation is provided solely for operation of the central
36 microfilming bureau under RCW 40.14.020(8).

37 **Sec. 117.** 2001 2nd sp.s. c 7 s 120 (uncodified) is amended to read as
38 follows:

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

| | | |
|---|--|------------------------|
| 2 | General Fund--State Appropriation (FY 2002) . . . \$ | 233,000 |
| 3 | General Fund--State Appropriation (FY 2003) . . . \$ | ((233,000)) |
| 4 | | <u>201,000</u> |
| 5 | TOTAL APPROPRIATION \$ | ((466,000)) |
| 6 | | <u>434,000</u> |

7 **Sec. 118.** 2001 2nd sp.s. c 7 s 121 (uncodified) is amended to read as
8 follows:

9 **FOR THE STATE TREASURER**

| | | |
|----|--|---------------------------|
| 10 | State Treasurer's Service Account--State | |
| 11 | Appropriation \$ | ((12,870,000)) |
| 12 | | <u>12,676,000</u> |

13 **Sec. 119.** 2001 2nd sp.s. c 7 s 123 (uncodified) is amended to read as
14 follows:

15 **FOR THE STATE AUDITOR**

| | | |
|----|--|---------------------------|
| 16 | General Fund--State Appropriation (FY 2002) . . . \$ | ((1,078,000)) |
| 17 | | <u>778,000</u> |
| 18 | General Fund--State Appropriation (FY 2003) . . . \$ | ((1,324,000)) |
| 19 | | <u>1,024,000</u> |
| 20 | State Auditing Services Revolving Account--State | |
| 21 | Appropriation \$ | ((13,540,000)) |
| 22 | | <u>13,347,000</u> |
| 23 | TOTAL APPROPRIATION \$ | ((15,942,000)) |
| 24 | | <u>15,149,000</u> |

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

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

32 (2) ~~((910,000))~~ \$778,000 of the general fund--state appropriation for
33 fiscal year 2002 and ~~((910,000))~~ \$1,024,000 of the general fund--state
34 appropriation for fiscal year 2003 are provided solely for staff and related
35 costs to verify the accuracy of reported school district data submitted for
36 state funding purposes; conduct school district program audits of state

1 funded public school programs; establish the specific amount of state
2 funding adjustments whenever audit exceptions occur and the amount is not
3 firmly established in the course of regular public school audits; and to
4 assist the state special education safety net committee when requested.

5 **Sec. 120.** 2001 2nd sp.s. c 7 s 125 (uncodified) is amended to read as
6 follows:

7 **FOR THE ATTORNEY GENERAL**

| | | |
|----|--|------------------------------|
| 8 | General Fund--State Appropriation (FY 2002) . . . \$ | 4,811,000 |
| 9 | General Fund--State Appropriation (FY 2003) . . . \$ | ((4,806,000)) |
| 10 | | <u>4,009,000</u> |
| 11 | General Fund--Federal Appropriation \$ | 2,868,000 |
| 12 | <u>General Fund--Private/Local Appropriation</u> \$ | <u>840,000</u> |
| 13 | Public Safety and Education Account--State | |
| 14 | Appropriation \$ | ((1,789,000)) |
| 15 | | <u>1,739,000</u> |
| 16 | Tobacco Prevention and Control Account | |
| 17 | Appropriation \$ | 277,000 |
| 18 | New Motor Vehicle Arbitration Account--State | |
| 19 | Appropriation \$ | 1,163,000 |
| 20 | Legal Services Revolving Account--State | |
| 21 | Appropriation \$ | ((147,306,000)) |
| 22 | | <u>146,633,000</u> |
| 23 | TOTAL APPROPRIATION \$ | ((163,020,000)) |
| 24 | | <u>162,340,000</u> |

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

27 (1) The attorney general shall report each fiscal year on actual legal
28 services expenditures and actual attorney staffing levels for each agency
29 receiving legal services. The report shall be submitted to the office of
30 financial management and the fiscal committees of the senate and house of
31 representatives no later than ninety days after the end of each fiscal year.

32 (2) The attorney general and the office of financial management shall
33 modify the attorney general billing system to meet the needs of user
34 agencies for greater predictability, timeliness, and explanation of how
35 legal services are being used by the agency. The attorney general shall
36 provide the following information each month to agencies receiving legal
37 services: (a) The full-time equivalent attorney services provided for the

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

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

10 (4)(a) \$87,000 of the general fund--state appropriation for fiscal year
11 2003 is provided solely for the office of the attorney general to prepare
12 a report by October 1, 2002, to the standing committees of the legislature
13 having jurisdiction over water resources regarding federal and Indian
14 reserved water rights. The objectives of the report shall be to:

15 (i) Examine and characterize the types of water rights issues involved;

16 (ii) Examine the approaches of other states to such issues and their
17 results;

18 (iii) Examine methods for addressing such issues including, but not
19 limited to, administrative, judicial, or other methods, or any combinations
20 thereof; and

21 (iv) Examine implementation and funding requirements.

22 (b) Following receipt of the report, the standing committees of the
23 legislature having jurisdiction over water resources shall seek and consider
24 the recommendations of the relevant departments and agencies of the United
25 States, the federally recognized Indian tribes with water-related interests
26 in the state, and water users in the state and shall develop
27 recommendations.

28 **Sec. 121.** 2001 2nd sp.s. c 7 s 126 (uncodified) is amended to read as
29 follows:

30 **FOR THE CASELOAD FORECAST COUNCIL**

| | | |
|----|--|------------------|
| 31 | General Fund--State Appropriation (FY 2002) . . . \$ | 631,000 |
| 32 | General Fund--State Appropriation (FY 2003) . . . \$ | ((619,000)) |
| 33 | | <u>600,000</u> |
| 34 | TOTAL APPROPRIATION \$ | ((1,250,000)) |
| 35 | | <u>1,231,000</u> |

36 **Sec. 122.** 2001 2nd sp.s. c 7 s 127 (uncodified) is amended to read as
37 follows:

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

| | | |
|----|--|------------------------------|
| 2 | General Fund--State Appropriation (FY 2002) . . . \$ | ((71,083,500)) |
| 3 | | <u>70,908,000</u> |
| 4 | General Fund--State Appropriation (FY 2003) . . . \$ | ((70,873,500)) |
| 5 | | <u>61,591,000</u> |
| 6 | General Fund--Federal Appropriation \$ | 173,342,000 |
| 7 | General Fund--Private/Local Appropriation \$ | 7,980,000 |
| 8 | Public Safety and Education Account--State | |
| 9 | Appropriation \$ | ((10,300,000)) |
| 10 | | <u>10,014,000</u> |
| 11 | Public Works Assistance Account--State | |
| 12 | Appropriation \$ | 1,911,000 |
| 13 | <u>Salmon Recovery Account--State Appropriation</u> . . . \$ | <u>1,500,000</u> |
| 14 | Film and Video Promotion Account--State | |
| 15 | Appropriation \$ | 25,000 |
| 16 | Building Code Council Account--State | |
| 17 | Appropriation \$ | ((1,061,000)) |
| 18 | | <u>1,226,000</u> |
| 19 | Administrative Contingency Account--State | |
| 20 | Appropriation \$ | 1,777,000 |
| 21 | Low-Income Weatherization Assistance Account--State | |
| 22 | Appropriation \$ | 3,292,000 |
| 23 | Violence Reduction and Drug Enforcement Account-- | |
| 24 | State Appropriation \$ | ((6,081,000)) |
| 25 | | <u>7,459,000</u> |
| 26 | Manufactured Home Installation Training Account-- | |
| 27 | State Appropriation \$ | 256,000 |
| 28 | Community Economic Development Account-- | |
| 29 | State Appropriation \$ | 113,000 |
| 30 | Washington Housing Trust Account--State | |
| 31 | Appropriation \$ | ((5,597,000)) |
| 32 | | <u>7,585,000</u> |
| 33 | Public Facility Construction Loan Revolving | |
| 34 | Account--State Appropriation \$ | 550,000 |
| 35 | TOTAL APPROPRIATION \$ | ((354,242,000)) |
| 36 | | <u>349,529,000</u> |

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

1 (1) It is the intent of the legislature that the department of
2 community, trade, and economic development receive separate programmatic
3 allotments for the office of community development and the office of trade
4 and economic development. Any appropriation made to the department of
5 community, trade, and economic development for carrying out the powers,
6 functions, and duties of either office shall be credited to the appropriate
7 office.

8 (2) \$3,085,000 of the general fund--state appropriation for fiscal year
9 2002 and (~~(\$3,085,000)~~) \$2,992,000 of the general fund--state appropriation
10 for fiscal year 2003 are provided solely for a contract with the Washington
11 technology center. For work essential to the mission of the Washington
12 technology center and conducted in partnership with universities, the center
13 shall not pay any increased indirect rate nor increases in other indirect
14 charges above the absolute amount paid during the 1995-97 fiscal biennium.

15 (3) \$61,000 of the general fund--state appropriation for fiscal year
16 2002 and \$62,000 of the general fund--state appropriation for fiscal year
17 2003 are provided solely for the implementation of the Puget Sound work plan
18 and agency action item OCD-01.

19 (4) \$10,403,445 of the general fund--federal appropriation is provided
20 solely for the drug control and system improvement formula grant program,
21 to be distributed in state fiscal year 2002 as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 These amounts represent the maximum Byrne grant expenditure authority
20 for each program. No program may expend Byrne grant funds in excess of the
21 amounts provided in this subsection. If moneys in excess of those
22 appropriated in this subsection become available, whether from prior or
23 current fiscal year Byrne grant distributions, the department shall hold
24 these moneys in reserve and may not expend them without specific
25 appropriation. These moneys shall be carried forward and applied to the
26 pool of moneys available for appropriation for programs and projects in the
27 succeeding fiscal year. As part of its budget request for the succeeding
28 year, the department shall estimate and request authority to spend any funds
29 remaining in reserve as a result of this subsection.

30 (5) \$470,000 of the general fund--state appropriation for fiscal year
31 2002 and \$470,000 of the general fund--state appropriation for fiscal year
32 2003 are provided solely for rural economic development activities including
33 \$200,000 for the Washington manufacturing service, and \$100,000 for business
34 retention and expansion.

35 (6) \$1,250,000 of the general fund--state appropriation for fiscal year
36 2002 and \$1,250,000 of the general fund--state appropriation for fiscal year
37 2003 are provided solely for grants to operate, repair, and staff shelters
38 for homeless families with children.

1 (7) \$2,500,000 of the general fund--state appropriation for fiscal year
2 2002 and \$2,500,000 of the general fund--state appropriation for fiscal year
3 2003 are provided solely for grants to operate transitional housing for
4 homeless families with children. The grants may also be used to make
5 partial payments for rental assistance.

6 (8) \$1,250,000 of the general fund--state appropriation for fiscal year
7 2002 and \$1,250,000 of the general fund--state appropriation for fiscal year
8 2003 are provided solely for consolidated emergency assistance to homeless
9 families with children.

10 (9) \$205,000 of the general fund--state appropriation for fiscal year
11 2002 and \$205,000 of the general fund--state appropriation for fiscal year
12 2003 are provided solely for grants to Washington Columbia river gorge
13 counties to implement their responsibilities under the national scenic area
14 management plan. Of this amount, \$390,000 is provided for Skamania county
15 and \$20,000 is provided for Clark county.

16 (10) \$698,000 of the general fund--state appropriation for fiscal year
17 2002, \$698,000 of the general fund--state appropriation for fiscal year
18 2003, and \$1,101,000 of the administrative contingency account appropriation
19 are provided solely for contracting with associate development organizations
20 to maintain existing programs.

21 (11) \$600,000 of the public safety and education account appropriation
22 is provided solely for sexual assault prevention and treatment programs

23 (12) \$680,000 of the Washington housing trust account appropriation is
24 provided solely to conduct a pilot project designed to lower infrastructure
25 costs for residential development.

26 (13) \$50,000 of the general fund--state appropriation for fiscal year
27 2002 and \$50,000 of the general fund--state appropriation for fiscal year
28 2003 are provided to the department solely for providing technical
29 assistance to developers of housing for farmworkers.

30 (14) \$370,000 of the general fund--state appropriation for fiscal year
31 2002, (~~(\$371,000)~~) \$352,000 of the general fund--state appropriation for
32 fiscal year 2003, and \$25,000 of the film and video promotion account
33 appropriation are provided solely for the film office to bring film and
34 video production to Washington state.

35 (15) \$22,000 of the general fund--state appropriation for fiscal year
36 2002 (~~(and \$23,000 of the general fund--state appropriation for fiscal year~~
37 ~~2003 are)~~) is provided solely as a matching grant to support the Washington
38 state senior games. State funding shall be matched with at least an equal
39 amount of private or local governmental funds.

1 (16) \$500,000 of the general fund--state appropriation for fiscal year
2 2002 and \$500,000 of the general fund--state appropriation for fiscal year
3 2003 are provided solely for grants to food banks and food distribution
4 centers to increase their ability to accept, store, and deliver perishable
5 food.

6 (17) \$230,000 of the general fund--state appropriation for fiscal year
7 2002, \$230,000 of the general fund--state appropriation for fiscal year
8 2003, and the entire community economic development account appropriation
9 are provided solely for support of the developmental disabilities endowment
10 governing board and startup costs of the endowment program. Startup costs
11 are a loan from the state general fund and will be repaid from funds within
12 the program as determined by the governing board. The governing board may
13 use state appropriations to implement a sliding-scale fee waiver for
14 families earning below 150 percent of the state median family income. The
15 director of the department, or the director of the subsequent department of
16 community development, may implement fees to support the program as provided
17 under RCW 43.330.152.

18 (18) \$880,000 of the public safety and education account appropriation
19 is provided solely for community-based legal advocates to assist sexual
20 assault victims with both civil and criminal justice issues. If Senate Bill
21 No. 5309 is not enacted by June 30, 2001, the amount provided in this
22 subsection shall lapse.

23 (19) \$65,000 of the general fund--state appropriation for fiscal year
24 2002 and \$65,000 of the general fund--state appropriation for fiscal year
25 2003 are provided solely for a contract with a food distribution program for
26 communities in the southwestern portion of the state and for workers
27 impacted by timber and salmon fishing closures and reductions. The
28 department may not charge administrative overhead or expenses to the funds
29 provided in this subsection.

30 (20) \$120,000 of the general fund--state appropriation for fiscal year
31 2002 and \$120,000 of the (~~general fund--state~~) Washington housing trust
32 account appropriation for fiscal year 2003 are provided solely as one-time
33 pass-through funding to currently licensed overnight youth shelters. If
34 Substitute House Bill No. 2060 (low-income housing) is not enacted by June
35 30, 2002, the fiscal year 2003 appropriation shall be made from the state
36 general fund.

37 (21) \$1,868,000 of the Washington housing trust account appropriation
38 for fiscal year 2003 is provided solely for emergency shelter assistance.
39 If Substitute House Bill No. 2060 (low-income housing) is not enacted by

1 June 30, 2002, the fiscal year 2003 appropriation shall be made from the
2 state general fund.

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

15 ~~((+22+))~~ (23) \$75,000 of the general fund--state appropriation for
16 fiscal year 2002 ~~((and \$75,000 of the general fund--state appropriation for~~
17 ~~fiscal year 2003 are))~~ is provided solely for the community connections
18 program in Walla Walla.

19 ~~((+23+))~~ (24) \$100,000 of the general fund--state appropriation for
20 fiscal year 2002 and \$100,000 of the general fund--state appropriation for
21 fiscal year 2003 are provided to the office of community development solely
22 for the purposes of providing assistance to industrial workers who have been
23 displaced by energy cost-related industrial plant closures in rural
24 counties. For purposes of this subsection, "rural county" is as defined in
25 RCW 82.14.370(5). The office of community development shall distribute the
26 amount in this subsection to community agencies that assist the displaced
27 industrial workers in meeting basic needs including, but not limited to,
28 emergency medical and dental services, family and mental health counseling,
29 food, energy costs, mortgage, and rental costs. The department shall not
30 retain more than two percent of the amount provided in this subsection for
31 administrative costs.

32 ~~((+24+))~~ (25) \$91,500 of the general fund--state appropriation for
33 fiscal year 2002 and \$91,500 of the general fund--state appropriation for
34 fiscal year 2003 are provided solely for services related to the foreign
35 representative contract for Japan.

36 ~~((+25+))~~ (26) \$81,000 of the general fund--state appropriation for
37 fiscal year 2002 and \$81,000 of the general fund--state appropriation for
38 fiscal year 2003 are provided solely for business finance and loan programs.

1 ~~((+26))~~ (27) \$150,000 of the general fund--state appropriation for
2 fiscal year 2002 is provided solely for the quick sites initiative program.

3 ~~((+27))~~ (28) \$120,000 of the general fund--state appropriation for
4 fiscal year 2002 and \$120,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for operating a business information
6 hotline.

7 ~~((+28))~~ (29) \$29,000 of the general fund--state appropriation for
8 fiscal year 2002 and \$29,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for travel expenses associated with the
10 office of trade and economic development's provision of outreach and
11 technical assistance services to businesses and local economic development
12 associations.

13 ~~((+29))~~ (30) \$100,000 of the general fund--state appropriation for
14 fiscal year 2002 and \$100,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely for information technology enhancements
16 designed to improve the delivery of agency services to customers.

17 (31) \$15,000 of the general fund--state appropriation for fiscal year
18 2002 is provided for the energy division to include the following
19 information in the biennial energy report to be transmitted to the governor
20 and the legislature by December 1, 2002: (a) Identification of methods for
21 the creation of new electricity capacity in advance of any critical need;
22 (b) identification and analysis of incentives and disincentives for building
23 new generation and transmission capacity; (c) identification of methods to
24 encourage demand management options and technologies; (d) an estimate of
25 current and future contributions to global climate change attributable to
26 state government; (e) identification and analysis of specific strategies and
27 options to reduce or offset contributions to global climate change
28 attributable to state government's energy consumption, including reducing
29 the state's consumption of electricity through pursuit of cost-effective
30 energy conservation and efficiency opportunities and increasing the
31 proportion of electricity state government purchases through an electric
32 utility from clean energy resources; and (f) the results of efforts by the
33 department of general administration and other state agencies to aggregate
34 purchasing of clean technologies.

35 (32) \$300,000 of the general fund--state appropriation for fiscal year
36 2003 is provided to reimburse nonprofit associations engaged in the
37 production and performance of musical, dance, artistic, dramatic, or
38 literary works for the benefit of the general public for back leasehold
39 excise taxes assessed by the department of revenue.

1 (33) \$10,512,393 of the general fund--federal appropriation is provided
2 solely for the drug control and system improvement formula grant program,
3 to be distributed in state fiscal year 2003 as follows:

4 (a) \$3,551,972 to local units of government to continue
5 multijurisdictional narcotics task forces;

6 (b) \$611,177 to the department to continue the drug prosecution
7 assistance program in support of multijurisdictional narcotics task forces;

8 (c) \$1,343,603 to the Washington state patrol for coordination,
9 investigative, and supervisory support to the multijurisdictional narcotics
10 task forces and for methamphetamine education and response;

11 (d) \$197,154 to the department for grants to support tribal law
12 enforcement needs;

13 (e) \$976,897 to the department of social and health services, division
14 of alcohol and substance abuse, for drug courts in eastern and western
15 Washington;

16 (f) \$298,246 to the department for training and technical assistance of
17 public defenders representing clients with special needs;

18 (g) \$687,155 to the department to continue domestic violence legal
19 advocacy;

20 (h) \$890,150 to the department of social and health services, juvenile
21 rehabilitation administration, to continue youth violence prevention and
22 intervention projects;

23 (i) \$89,705 to the department to continue the governor's council on
24 substance abuse;

25 (j) \$97,591 to the department to continue evaluation of Byrne formula
26 grant programs;

27 (k) \$895,386 to the office of financial management for criminal history
28 records improvement;

29 (l) \$60,000 to the department for community-based advocacy services to
30 victims of violent crime, other than sexual assault and domestic violence;
31 and

32 (m) \$813,358 to the department for required grant administration,
33 monitoring, and reporting on Byrne formula grant programs.

34 These amounts represent the maximum Byrne grant expenditure authority
35 for each program. No program may expend Byrne grant funds in excess of the
36 amounts provided in this subsection. If moneys in excess of those
37 appropriated in this subsection become available, whether from prior or
38 current fiscal year Byrne grant distributions, the department shall hold
39 these moneys in reserve and may not expend them without specific

1 appropriation. These moneys shall be carried forward and applied to the
2 pool of moneys available for appropriation for programs and projects in the
3 succeeding fiscal year. As part of its budget request for the succeeding
4 year, the department shall estimate and request authority to spend any funds
5 remaining in reserve as a result of this subsection.

6 (34) \$35,000 of the general fund--state appropriation for fiscal year
7 2003 is provided solely for the department to contract with a statewide
8 trade association exclusively representing mobile home park owners to
9 deliver training courses to mobile home park managers as part of a
10 certification process included in Senate Bill No. 5694 (certification
11 program for mobile home park managers). If the bill is not enacted by June
12 30, 2002, the amount provided in this subsection shall lapse.

13 (35) \$165,000 of the building code council account appropriation for
14 fiscal year 2003 is provided solely for the state building code council
15 pursuant to Senate Bill No. 5352 (building code council fee increase). If
16 the bill is not enacted by June 30, 2002, the amount provided in this
17 subsection shall lapse.

18 (36) \$129,000 of the mobile home park relocation account appropriation
19 for fiscal year 2003 is provided solely for the department to administer the
20 mobile home relocation assistance program as provided by Second Substitute
21 Senate Bill No. 5354 (mobile home relocation assistance fee). If the bill
22 is not enacted by June 30, 2002, the amount provided in this subsection
23 shall lapse.

24 (37) The department shall implement efficiencies and savings consistent
25 with its mission, goals, and objectives to reduce operating costs. The
26 department should give strong consideration to the best practice proposals
27 put forth by the office of financial management and the department of
28 information services. Such action, to the extent possible, should maintain
29 client services and state revenues. Actions may also include hiring
30 freezes, employee furloughs both voluntary and mandatory, restricted travel
31 and training, and reduced equipment and personal service contracts. The
32 department, with approval from the office of financial management, may use
33 fiscal year 2002 savings to offset the fiscal year 2003 reductions.
34 Reductions shall not be made to funding for public broadcast grants.

35 (38) \$40,000 of the general fund--state appropriation for fiscal year
36 2003 is provided solely to implement the state task force on funding for
37 community-based services to victims of crime as provided in Senate Bill No.
38 6763. If the bill is not enacted by June 30, 2002, the amount provided in
39 this subsection shall lapse.

1 **Sec. 123.** 2001 2nd sp.s. c 7 s 128 (uncodified) is amended to read as
2 follows:

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

| | | |
|---|--|----------------------------|
| 4 | General Fund--State Appropriation (FY 2002) . . \$ | 512,000 |
| 5 | General Fund--State Appropriation (FY 2003) . . \$ | ((514,000)) |
| 6 | | <u>499,000</u> |
| 7 | TOTAL APPROPRIATION \$ | ((1,026,000)) |
| 8 | | <u>1,011,000</u> |

9 **Sec. 124.** 2001 2nd sp.s. c 7 s 129 (uncodified) is amended to read as
10 follows:

11 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

| | | |
|----|--|-----------------------------|
| 12 | General Fund--State Appropriation (FY 2002) . . \$ | 12,456,000 |
| 13 | General Fund--State Appropriation (FY 2003) . . \$ | ((12,024,000)) |
| 14 | | <u>11,615,000</u> |
| 15 | General Fund--Federal Appropriation \$ | 23,657,000 |
| 16 | Violence Reduction and Drug Enforcement | |
| 17 | Account--State Appropriation \$ | ((229,000)) |
| 18 | | <u>224,000</u> |
| 19 | State Auditing Services Revolving | |
| 20 | Account--State Appropriation \$ | 25,000 |
| 21 | TOTAL APPROPRIATION \$ | ((48,391,000)) |
| 22 | | <u>47,977,000</u> |

23 The appropriations in this section are subject to the following
24 conditions and limitations: The office of financial management shall review
25 policies and procedures regarding purchasing of information technology
26 upgrades by state agencies. Information technology upgrades include
27 replacement workstations, network equipment, operating systems and
28 application software. The review shall document existing policies and
29 procedures, and shall compare alternative upgrade policies that reduce the
30 overall cost to state government for maintaining adequate information
31 technology to meet the existing business needs of state agencies. Findings
32 and recommendations from this review shall be reported to appropriate
33 committees of the legislature by December 1, 2001.

34 **Sec. 125.** 2001 2nd sp.s. c 7 s 130 (uncodified) is amended to read as
35 follows:

36 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

1 Administrative Hearings Revolving Account--State
2 Appropriation \$ ((~~21,938,000~~))
3 22,394,000

4 **Sec. 126.** 2001 2nd sp.s. c 7 s 131 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF PERSONNEL**

7 Department of Personnel Service Account--State
8 Appropriation \$ ((~~17,297,000~~))
9 17,035,000

10 Higher Education Personnel Services Account--State
11 Appropriation \$ 1,636,000

12 TOTAL APPROPRIATION \$ ((~~18,933,000~~))
13 18,671,000

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

21 **Sec. 127.** 2001 2nd sp.s. c 7 s 132 (uncodified) is amended to read as
22 follows:

23 **FOR THE WASHINGTON STATE LOTTERY**

24 Lottery Administrative Account--State
25 Appropriation \$ ((~~22,130,000~~))
26 21,795,000

27 NEW SECTION. **Sec. 128.** A new section is added to 2001 2nd sp.s. c 7
28 (uncodified) to read as follows:

29 **STATE GAMBLING COMMISSION.** (1) The state gambling commission is
30 directed to reduce its fiscal year 2003 expenditures from the gambling
31 revolving account by the amount of \$450,000.

32 (2) The state gambling commission is authorized to increase existing
33 fees in excess of the fiscal growth factor established by Initiative Measure
34 No. 601, if necessary, to meet the actual costs of conducting business.

1 **Sec. 129.** 2001 2nd sp.s. c 7 s 133 (uncodified) is amended to read as
2 follows:

3 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

| | | |
|---|--|--------------------------|
| 4 | General Fund--State Appropriation (FY 2002) . . . \$ | 226,000 |
| 5 | General Fund--State Appropriation (FY 2003) . . . \$ | ((234,000)) |
| 6 | | <u>210,000</u> |
| 7 | TOTAL APPROPRIATION \$ | ((460,000)) |
| 8 | | <u>436,000</u> |

9 **Sec. 130.** 2001 2nd sp.s. c 7 s 134 (uncodified) is amended to read as
10 follows:

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

| | | |
|----|--|--------------------------|
| 12 | General Fund--State Appropriation (FY 2002) . . . \$ | 211,000 |
| 13 | General Fund--State Appropriation (FY 2003) . . . \$ | ((209,000)) |
| 14 | | <u>207,000</u> |
| 15 | TOTAL APPROPRIATION \$ | ((420,000)) |
| 16 | | <u>418,000</u> |

17 **Sec. 131.** 2001 2nd sp.s. c 7 s 135 (uncodified) is amended to read as
18 follows:

19 **FOR THE PERSONNEL APPEALS BOARD**

| | | |
|----|--|----------------------------|
| 20 | Department of Personnel Service Account--State | |
| 21 | Appropriation \$ | ((1,679,000)) |
| 22 | | <u>1,705,000</u> |

23 The appropriation in this section is subject to the following
24 conditions and limitations: \$26,000 of the department of personnel services
25 account appropriation is provided solely for paying accrued annual and sick
26 leave to a retired board member.

27 **Sec. 132.** 2001 2nd sp.s. c 7 s 136 (uncodified) is amended to read as
28 follows:

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

| | | |
|----|--|-----------------------------|
| 30 | Dependent Care Administrative Account--State | |
| 31 | Appropriation \$ | 378,000 |
| 32 | Department of Retirement Systems Expense Account-- | |
| 33 | State Appropriation \$ | ((49,562,000)) |
| 34 | | <u>49,584,000</u> |
| 35 | TOTAL APPROPRIATION \$ | ((49,940,000)) |

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

4 (1) \$1,000,000 of the department of retirement systems expense account
5 appropriation is provided solely for support of the information systems
6 project known as the electronic document image management system.

7 (2) \$120,000 of the department of retirement systems expense account
8 appropriation is provided solely for locating inactive members entitled to
9 retirement benefits.

10 (3) \$117,000 of the department of retirement systems expense account
11 appropriation is provided solely for modifications to the retirement
12 information systems to accommodate tracking of postretirement employment on
13 an hourly basis.

14 (4) \$440,000 of the department of retirement systems expense account
15 appropriation is provided solely for the implementation of Engrossed Senate
16 Bill No. 5143 (Washington state patrol retirement systems plan 2).

17 (5) \$6,420,000 of the department of retirement systems expense account
18 appropriation is provided solely for the implementation of public employees'
19 retirement system plan 3 (chapter 247, Laws of 2000).

20 (6) \$101,000 of the department of retirement systems expense account--
21 state appropriation is provided solely to implement Senate Bill No. 5144
22 (LEOFF survivor benefit). If the bill is not enacted by July 31, 2001, the
23 amount provided in this subsection shall lapse.

24 (7) \$744,000 of the department of retirement systems expense account--
25 state appropriation is provided solely to implement Second Engrossed
26 Substitute Senate Bill No. 6166 (LEOFF restructuring). If the bill is not
27 enacted by July 31, 2001, the amount provided in this subsection shall
28 lapse.

29 (8) \$225,000 of the department of retirement systems expense account
30 appropriation is provided solely for monitoring and actuarial services for
31 the state retirement systems.

32 (9) \$285,000 of the department of retirement systems expense account
33 appropriation is provided solely for the implementation of Engrossed
34 Substitute Senate Bill No. 5264 (employer unfair practices). If the bill
35 is not enacted by June 30, 2002, the amount provided in this subsection
36 shall lapse.

37 (10) \$96,000 of the department of retirement systems expense account
38 appropriation is provided solely for the implementation of Senate Bill No.

1 6376 (PERS plan 3 transfer payment). If the bill is not enacted by June 30,
2 2002, the amount provided in this subsection shall lapse.

3 (11) \$9,000 of the department of retirement systems expense account
4 appropriation is provided solely for the implementation of Senate Bill No.
5 6377 (TRS plan 1 extended school year). If the bill is not enacted by June
6 30, 2002, the amount provided in this subsection shall lapse.

7 (12) \$12,000 of the department of retirement systems expense account
8 appropriation is provided solely for the implementation of Senate Bill No.
9 6378 (LEOFF plan 2 part-time leave of absence). If the bill is not enacted
10 by June 30, 2002, the amount provided in this subsection shall lapse.

11 (13) \$122,000 of the department of retirement systems expense account
12 appropriation is provided solely for the implementation of Senate Bill No.
13 6379 (transferring service credit to WSPRS). If the bill is not enacted by
14 June 30, 2002, the amount provided in this subsection shall lapse.

15 (14) \$651,000 of the department of retirement systems expense account
16 appropriation is provided solely for the implementation of Engrossed Senate
17 Bill No. 6380 (survivor benefits). If the bill is not enacted by June 30,
18 2002, the amount provided in this subsection shall lapse.

19 (15) \$53,000 of the department of retirement systems expense account
20 appropriation is provided solely for the implementation of Senate Bill No.
21 6381 (PERS plan 1 terminated vested). If the bill is not enacted by June
22 30, 2002, the amount provided in this subsection shall lapse.

23 **Sec. 133.** 2001 2nd sp.s. c 7 s 137 (uncodified) is amended to read as
24 follows:

25 **FOR THE STATE INVESTMENT BOARD**

| | | |
|----|---|--------------------------------|
| 26 | State Investment Board Expense Account--State | |
| 27 | Appropriation | \$ ((12,876,000)) |
| 28 | | <u>13,461,000</u> |

29 **Sec. 134.** 2001 2nd sp.s. c 7 s 138 (uncodified) is amended to read as
30 follows:

31 **FOR THE DEPARTMENT OF REVENUE**

| | | |
|----|---|--------------------------------|
| 32 | General Fund--State Appropriation (FY 2002) . . | \$ 72,820,000 |
| 33 | General Fund--State Appropriation (FY 2003) . . | \$ ((72,387,000)) |
| 34 | | <u>78,088,000</u> |
| 35 | Timber Tax Distribution Account--State | |
| 36 | Appropriation | \$ 5,131,000 |
| 37 | Waste Education/Recycling/Litter Control--State | |

| | | | |
|---|---|----|--------------------|
| 1 | Appropriation | \$ | 101,000 |
| 2 | State Toxics Control Account--State | | |
| 3 | Appropriation | \$ | 67,000 |
| 4 | Oil Spill Administration Account--State | | |
| 5 | Appropriation | \$ | 14,000 |
| 6 | TOTAL APPROPRIATION | \$ | ((150,520,000)) |
| 7 | | | <u>156,221,000</u> |

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

10 \$269,000 of the general fund--state appropriation for fiscal year 2002
11 and \$49,000 of the general fund--state appropriation for fiscal year 2003
12 are provided solely to establish and provide staff support to a committee
13 on taxation to study the elasticity, equity, and adequacy of the state's tax
14 system.

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

29 (2) The purpose of the study is to determine how well the current tax
30 system functions and how it might be changed to better serve the citizens
31 of the state in the twenty-first century. In reviewing options for changes
32 to the tax system, the committee shall develop multiple alternatives to the
33 existing tax system. To the extent possible, the alternatives shall be
34 designed to increase the harmony between the tax system of this state and
35 the surrounding states, encourage commerce and business creation, and
36 encourage home ownership. In developing alternatives, the committee shall
37 examine and consider the effects of tax incentives, including exemptions,
38 deferrals, and credits. The alternatives shall range from incremental
39 improvements in the current tax structure to complete replacement of the tax

1 structure. In conducting the study, the committee shall examine the tax
2 structures of other states and review previous studies regarding tax reform
3 in this state. In developing alternatives, the committee shall be guided
4 by administrative simplicity, economic neutrality, fairness, stability, and
5 transparency. Most of the alternatives presented by the committee to the
6 legislature shall be revenue neutral and contain no income tax.

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

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

14 (5) \$50,000 of the general fund--state appropriation for fiscal year
15 2003 is provided solely to implement Senate Bill No. 6821 (local government
16 finance). If the bill is not enacted by June 30, 2002, the amount provided
17 in this subsection shall lapse.

18 (6) \$6,260,000 of the general fund--state appropriation for fiscal year
19 2003 is provided solely for the department's initiative to increase tax
20 collection, tax discovery, and compliance.

21 (7) \$90,000 of the general fund--state appropriation for fiscal year
22 2003 is provided solely for the department to conduct a study of tax
23 incentives.

24 (a) The tax incentives covered by the study shall include the
25 following:

26 (i) The rural county distressed areas sales tax deferral and exemption
27 under chapter 82.60 RCW;

28 (ii) The rural county business and occupation tax credit for computer
29 software development in RCW 82.04.4456;

30 (iii) The business and occupation tax jobs credit under chapter 82.62
31 RCW;

32 (iv) The business and occupation tax credit for international services
33 under RCW 82.04.44525;

34 (v) The business and occupation tax credit for help-desk services in
35 rural counties under RCW 82.04.4457;

36 (vi) The high technology business and occupation tax credit under RCW
37 82.04.4452;

38 (vii) The high technology sales tax deferral/exemption in chapter 82.63
39 RCW; and

1 (viii) The manufacturing, research and development, and testing
2 operations sales and use tax exemptions under RCW 82.08.02565 and
3 82.12.02565.

4 (b) Taxpayer participation in the study is voluntary. Taxpayer
5 information used in the study is confidential under the provisions of
6 chapter 82.32 RCW. Additionally, the identity of any study participants may
7 not be disclosed.

8 (c) The purpose of the study is to allow the legislature to evaluate
9 the success of tax incentives in terms of job creation, product development,
10 and other factors that are considered a return on investment of public
11 funds. The study shall include information such as the amount of the
12 incentive taken, the annual number of net new jobs as a result of the
13 incentive, current employment, number of new products developed, the types
14 and amounts of other taxes paid, whether the business expanded or is located
15 in a certain area as a result of the incentive, and other information
16 determined by the department to be relevant to the study.

17 (d) The department shall report to the appropriate legislative
18 committees of the senate and house of representatives by November 30, 2002.

19 **Sec. 135.** 2001 2nd sp.s. c 7 s 139 (uncodified) is amended to read as
20 follows:

21 **FOR THE BOARD OF TAX APPEALS**

| | | |
|----|--|--------------------------|
| 22 | General Fund--State Appropriation (FY 2002) . . . \$ | ((1,193,000)) |
| 23 | | <u>1,162,000</u> |
| 24 | General Fund--State Appropriation (FY 2003) . . . \$ | ((1,038,000)) |
| 25 | | <u>1,017,000</u> |
| 26 | TOTAL APPROPRIATION \$ | ((2,231,000)) |
| 27 | | <u>2,179,000</u> |

28 **Sec. 136.** 2001 2nd sp.s. c 7 s 142 (uncodified) is amended to read as
29 follows:

30 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

| | | |
|----|--|------------------------|
| 31 | General Fund--State Appropriation (FY 2002) . . . \$ | 549,000 |
| 32 | General Fund--State Appropriation (FY 2003) . . . \$ | ((630,000)) |
| 33 | | <u>674,000</u> |
| 34 | General Fund--Federal Appropriation \$ | 1,930,000 |
| 35 | General Fund--Private/Local Appropriation \$ | ((444,000)) |
| 36 | | <u>223,000</u> |
| 37 | State Capitol Vehicle Parking Account-- | |

| | | | |
|---|--|----|-----------------------------|
| 1 | State Appropriation | \$ | 154,000 |
| 2 | General Administration Services Account--State | | |
| 3 | Appropriation | \$ | ((41,419,000)) |
| 4 | | | <u>39,560,000</u> |
| 5 | TOTAL APPROPRIATION | \$ | ((45,126,000)) |
| 6 | | | <u>43,090,000</u> |

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

9 (1) The department shall conduct a review of the ultimate purchasing
10 system to evaluate the following: (a) The degree to which program
11 objectives and assumptions were achieved; (b) the degree to which planned
12 schedule of phases, tasks, and activities were accomplished; (c) an
13 assessment of estimated and actual costs of each phase; (d) an assessment
14 of project cost recovery/cost avoidance, return on investment, and
15 measurable outcomes as each relate to the agency's business functions and
16 other agencies' business functions; and (e) the degree to which integration
17 with the agency and state information technology infrastructure was
18 achieved. The department will receive written input from participating
19 pilot agencies that describes measurable organizational benefits and cost
20 avoidance opportunities derived from use of the ultimate purchasing system.
21 The performance review shall be submitted to the office of financial
22 management and the appropriate legislative fiscal committees by July 1,
23 2002.

24 (2) \$60,000 of the general administration services account
25 appropriation is provided solely for costs associated with the development
26 of the information technology architecture to link the risk management
27 information system and the tort division's case management system, and the
28 reconciliation of defense cost reimbursement information.

29 (3) \$44,000 of the general fund--state appropriation for fiscal year
30 2003 is provided solely for the department to implement the waste management
31 and recycling provisions of Senate Bill No. 6480 (encouraging recycling and
32 waste reduction). If the bill is not enacted by June 30, 2002, the amount
33 provided in this subsection shall lapse.

34 **Sec. 137.** 2001 2nd sp.s. c 7 s 143 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

37 Data Processing Revolving Account--State

| | | |
|---|---|------------------------------------|
| 1 | Public Service Revolving Account--State | |
| 2 | Appropriation | \$ ((27,108,000)) |
| 3 | | <u>26,702,000</u> |
| 4 | Pipeline Safety Account--State | |
| 5 | Appropriation | \$ 3,305,000 |
| 6 | Pipeline Safety Account--Federal | |
| 7 | Appropriation | \$ 822,000 |
| 8 | TOTAL APPROPRIATION | \$ ((31,235,000)) |
| 9 | | <u>30,829,000</u> |

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

12 (1) \$3,011,000 of the pipeline safety account--state appropriation and
13 \$822,000 of the pipeline safety account--federal appropriation are provided
14 solely for the implementation of Substitute Senate Bill No. 5182 (pipeline
15 safety). If the bill is not enacted by June 30, 2001, the amount provided
16 in this subsection shall lapse.

17 (2) \$294,000 of the pipeline safety account--state appropriation is
18 provided solely for an interagency agreement with the joint legislative
19 audit and review committee for a report on hazardous liquid and gas pipeline
20 safety programs. The committee shall review staff use, inspection activity,
21 fee methodology, and costs of the hazardous liquid and gas pipeline safety
22 programs and report to the appropriate legislative committees by July 1,
23 2003. The report shall include a comparison of interstate and intrastate
24 programs, including but not limited to the number and complexity of regular
25 and specialized inspections, mapping requirements for each program, and
26 allocation of administrative costs to each program. If Substitute Senate
27 Bill No. 5182 (pipeline safety) is not enacted by June 30, 2001, the amount
28 provided in this section shall lapse.

29 **Sec. 142.** 2001 2nd sp.s. c 7 s 151 (uncodified) is amended to read as
30 follows:

31 **FOR THE MILITARY DEPARTMENT**

| | | |
|----|---|------------------------------------|
| 32 | General Fund--State Appropriation (FY 2002) | \$ 9,165,000 |
| 33 | General Fund--State Appropriation (FY 2003) | \$ ((8,979,000)) |
| 34 | | <u>8,530,000</u> |
| 35 | General Fund--Federal Appropriation | \$ 22,509,000 |
| 36 | General Fund--Private/Local Appropriation | \$ 234,000 |
| 37 | Enhanced 911 Account--State Appropriation | \$ ((16,544,000)) |

| | | |
|----|--|------------------------------|
| 1 | | <u>20,269,000</u> |
| 2 | Disaster Response Account--State Appropriation | ((582,000)) |
| 3 | | <u>1,906,000</u> |
| 4 | Disaster Response Account--Federal Appropriation | ((3,392,000)) |
| 5 | | <u>6,510,000</u> |
| 6 | Worker and Community Right to Know Fund--State | |
| 7 | Appropriation \$ | 283,000 |
| 8 | Nisqually Earthquake Account--State | |
| 9 | Appropriation \$ | ((37,884,000)) |
| 10 | | <u>29,027,000</u> |
| 11 | Nisqually Earthquake Account--Federal | |
| 12 | Appropriation \$ | ((157,795,000)) |
| 13 | | <u>49,641,000</u> |
| 14 | TOTAL APPROPRIATION \$ | ((257,367,000)) |
| 15 | | <u>148,074,000</u> |

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

18 (1) ((~~\$582,000~~)) \$1,906,000 of the disaster response account--state
19 appropriation is provided solely for the state share of response and
20 recovery costs associated with federal emergency management agency (FEMA)
21 disasters approved in the 1999-01 biennium budget. The military department
22 may, upon approval of the director of financial management, use portions of
23 the disaster response account--state appropriation to offset costs of new
24 disasters occurring before June 30, 2003. The military department shall
25 submit a report quarterly to the office of financial management and the
26 legislative fiscal committees detailing disaster costs, including: (a)
27 Estimates of total costs; (b) incremental changes from the previous
28 estimate; (c) actual expenditures; (d) estimates of total remaining costs
29 to be paid; and (d) estimates of future payments by biennium. This
30 information shall be displayed by individual disaster, by fund, and by type
31 of assistance. The military department shall also submit a report quarterly
32 to the office of financial management and the legislative fiscal committees
33 detailing information on the disaster response account, including: (a) The
34 amount and type of deposits into the account; (b) the current available fund
35 balance as of the reporting date; and (c) the projected fund balance at the
36 end of the 2001-03 biennium based on current revenue and expenditure
37 patterns.

38 (2) \$100,000 of the general fund--state fiscal year 2002 appropriation
39 and \$100,000 of the general fund--state fiscal year 2003 appropriation are

1 provided solely for implementation of the conditional scholarship program
2 pursuant to chapter 28B.103 RCW.

3 (3) \$60,000 of the general fund--state appropriation for fiscal year
4 2002 and \$60,000 of the general fund--state appropriation for fiscal year
5 2003 are provided solely for the implementation of Senate Bill No. 5256
6 (emergency management compact). If the bill is not enacted by June 30,
7 2001, the amounts provided in this subsection shall lapse.

8 (4) \$35,000 of the general fund--state fiscal year 2002 appropriation
9 and \$35,000 of the general fund--state fiscal year 2003 appropriation are
10 provided solely for the north county emergency medical service.

11 (5) (~~(\$1,374,000)~~) \$2,145,000 of the Nisqually earthquake account--
12 state appropriation and (~~(\$3,861,000)~~) \$4,174,000 of the Nisqually
13 earthquake account--federal appropriation are provided solely for the
14 military department's costs associated with coordinating the state's
15 response to the February 28, 2001, earthquake.

16 (6) (~~(\$1,347,000)~~) \$678,000 of the Nisqually earthquake account--state
17 appropriation and (~~(\$5,359,000)~~) \$3,420,000 of the Nisqually earthquake
18 account--federal appropriation are provided solely for mitigation costs
19 associated with the earthquake for state and local agencies. Of the amount
20 from the Nisqually earthquake account--state appropriation, (~~(\$898,000)~~)
21 \$217,000 is provided for the state matching share for state agencies and
22 (~~(\$449,000)~~) \$462,000 is provided for one-half of the local matching share
23 for local entities. The amount provided for the local matching share
24 constitutes a revenue distribution for purposes of RCW 43.135.060(1).

25 (7) (~~(\$35,163,000)~~) \$8,970,000 of the Nisqually earthquake account--
26 state appropriation and (~~(\$148,575,000)~~) \$42,047,000 of the Nisqually
27 earthquake account--federal appropriation are provided solely for public
28 assistance costs associated with the earthquake for state and local
29 agencies. Of the amount from the Nisqually earthquake account--state
30 appropriation, (~~(\$20,801,000)~~) \$3,924,000 is provided for the state matching
31 share for state agencies and (~~(\$14,362,000)~~) \$5,046,000 is provided for one-
32 half of the local matching share for local entities. The amount provided
33 for the local matching share constitutes a revenue distribution for purposes
34 of RCW 43.135.060(1). (~~Upon approval of the director of financial~~
35 ~~management, the military department may use portions of the Nisqually~~
36 ~~earthquake account--state appropriations to cover other response and~~
37 ~~recovery costs associated with the Nisqually earthquake that are not~~
38 ~~eligible for federal emergency management agency reimbursement. The~~
39 ~~military department is to submit a quarterly report detailing the costs~~

1 ~~authorized under this subsection to the office of financial management and~~
2 ~~the legislative fiscal committees.))~~

3 (8) \$17,234,000 of the Nisqually earthquake account--state
4 appropriation is provided solely to cover other response and recovery costs
5 associated with the Nisqually earthquake that are not eligible for federal
6 emergency management agency reimbursement. Prior to expending funds
7 provided in this subsection, the military department shall obtain prior
8 approval of the director of financial management. Prior to approving any
9 single project of over \$1,000,000, the office of financial management shall
10 notify the fiscal committees of the legislature. The military department
11 is to submit a quarterly report detailing the costs authorized under this
12 subsection to the office of financial management and the legislative fiscal
13 committees.

14 (9) \$2,818,000 of the enhanced 911 account--state appropriation is
15 provided solely for the implementation of Engrossed Second Substitute Senate
16 Bill No. 6034 or House Bill No. 2595 (enhanced 911 excise tax). If neither
17 bill is enacted by June 30, 2002, the amount provided in this subsection
18 shall lapse.

19 **Sec. 143.** 2001 2nd sp.s. c 7 s 152 (uncodified) is amended to read as
20 follows:

21 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

| | | |
|----|--|----------------------------|
| 22 | General Fund--State Appropriation (FY 2002) . . \$ | ((2,154,000)) |
| 23 | | <u>2,225,000</u> |
| 24 | General Fund--State Appropriation (FY 2003) . . \$ | ((2,164,000)) |
| 25 | | <u>2,339,000</u> |
| 26 | TOTAL APPROPRIATION \$ | ((4,318,000)) |
| 27 | | <u>4,564,000</u> |

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

30 (1) \$71,000 of the general fund--state appropriation for fiscal year
31 2002 and \$214,000 of the general fund--state appropriation for fiscal year
32 2003 are provided solely for the purpose of implementing requirements
33 associated with Initiative Measure No. 775 (home care workers).

34 (2) \$47,000 of the general fund--state appropriation for fiscal year
35 2003 is provided solely to implement House Bill No. 2403 and House Bill No.
36 2540 (higher education collective bargaining). If House Bill No. 2403 is

1 not enacted by June 30, 2002, the amount provided in this subsection shall
2 lapse.

3 **Sec. 144.** 2001 2nd sp.s. c 7 s 153 (uncodified) is amended to read as
4 follows:

5 **FOR THE GROWTH PLANNING HEARINGS BOARD**

| | | |
|----|--|----------------------------|
| 6 | General Fund--State Appropriation (FY 2002) . . . \$ | 1,497,000 |
| 7 | General Fund--State Appropriation (FY 2003) . . . \$ | ((1,506,000)) |
| 8 | | <u>1,431,000</u> |
| 9 | TOTAL APPROPRIATION \$ | ((3,003,000)) |
| 10 | | <u>2,928,000</u> |

11 **Sec. 145.** 2001 2nd sp.s. c 7 s 154 (uncodified) is amended to read as
12 follows:

13 **FOR THE STATE CONVENTION AND TRADE CENTER**

| | | |
|----|--|-----------------------------|
| 14 | State Convention and Trade Center Operating | |
| 15 | Account--State Appropriation \$ | ((37,848,000)) |
| 16 | | <u>37,269,000</u> |
| 17 | State Convention and Trade Center Account--State | |
| 18 | Appropriation \$ | 29,886,000 |
| 19 | TOTAL APPROPRIATION \$ | ((67,734,000)) |
| 20 | | <u>67,155,000</u> |

21 (End of part)

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

8 (c) The director of financial management shall notify the appropriate
9 fiscal committees of the senate and house of representatives in writing
10 prior to approving any allotment modifications.

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

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

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

| | | |
|----|--|--------------------|
| 24 | General Fund--State Appropriation (FY 2002) . . . \$ | ((225,789,000)) |
| 25 | | <u>225,104,000</u> |
| 26 | General Fund--State Appropriation (FY 2003) . . . \$ | ((239,013,000)) |
| 27 | | <u>230,601,000</u> |
| 28 | General Fund--Federal Appropriation \$ | ((372,408,000)) |
| 29 | | <u>369,895,000</u> |
| 30 | General Fund--Private/Local Appropriation \$ | 400,000 |
| 31 | Public Safety and Education Account-- | |
| 32 | State Appropriation \$ | ((987,000)) |
| 33 | | <u>957,000</u> |
| 34 | Violence Reduction and Drug Enforcement Account-- | |
| 35 | State Appropriation \$ | ((5,702,000)) |
| 36 | | <u>5,588,000</u> |
| 37 | TOTAL APPROPRIATION \$ | ((844,299,000)) |
| 38 | | <u>832,545,000</u> |

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

3 (1) \$2,237,000 of the fiscal year 2002 general fund--state
4 appropriation, (~~(\$2,288,000)~~) \$2,271,000 of the fiscal year 2003 general
5 fund--state appropriation, and (~~(\$1,590,000)~~) \$1,584,000 of the general
6 fund--federal appropriation are provided solely for the category of services
7 titled "intensive family preservation services."

8 (2) (~~(\$685,000)~~) \$644,000 of the general fund--state fiscal year
9 (~~(2002)~~) 2003 appropriation and (~~(\$701,000)~~) \$654,000 of the general fund--
10 (~~(state fiscal year 2003)~~) federal appropriation are provided to contract
11 for (~~(the operation of one)~~) facility and nonfacility-based pediatric
12 interim care (~~(facility)~~) services. (~~(The facility shall provide~~
13 ~~residential care for up to thirteen children through two years of age.~~
14 ~~Seventy-five percent of the children served by the facility must be in need~~
15 ~~of special care as a result of substance abuse by their mothers.~~ The
16 ~~facility shall also provide on-site training to biological, adoptive, or~~
17 ~~foster parents.~~ The facility shall provide at least three months of
18 ~~consultation and support to parents accepting placement of children from the~~
19 ~~facility.~~ The facility may recruit new and current foster and adoptive
20 ~~parents for infants served by the facility.~~ The department shall not
21 ~~require case management as a condition of the contract.~~

22 ~~—(3) \$524,000 of the general fund--state fiscal year 2002 appropriation~~
23 ~~and \$536,000 of the general fund--state fiscal year 2003 appropriation are~~
24 ~~provided for up to three nonfacility-based programs for the training,~~
25 ~~consultation, support, and recruitment of biological, foster, and adoptive~~
26 ~~parents of children through age three in need of special care as a result~~
27 ~~of substance abuse by their mothers, except that each program may serve up~~
28 ~~to three medically fragile nonsubstance-abuse-affected children.~~ In
29 ~~selecting nonfacility-based programs, preference shall be given to programs~~
30 ~~whose federal or private funding sources have expired or that have~~
31 ~~successfully performed under the existing pediatric interim care progra~~

32 ~~—(4))~~ (3) \$1,260,000 of the fiscal year 2002 general fund--state
33 appropriation, \$1,248,000 of the fiscal year 2003 general fund--state
34 appropriation, and (~~(\$4,196,000)~~) \$4,082,000 of the violence reduction and
35 drug enforcement account appropriation are provided solely for the family
36 policy council and community public health and safety networks. The funding
37 level for the family policy council and community public health and safety
38 networks represents a 25 percent reduction below the funding level for the
39 1999-2001 biennium. Funding levels shall be reduced 25 percent for both the

1 family policy council and network grants. Reductions to network grants shall
2 be allocated so as to maintain current funding levels, to the greatest
3 extent possible, for projects with the strongest evidence of positive
4 outcomes and for networks with substantial compliance with contracts for
5 network grants.

6 ((+5)) (4) \$2,215,000 of the fiscal year 2002 general fund--state
7 appropriation, \$4,394,000 of the fiscal year 2003 general fund--state
8 appropriation, and \$5,604,000 of the general fund--federal appropriation are
9 provided solely for reducing the average caseload level per case-carrying
10 social worker. Average caseload reductions are intended to increase the
11 amount of time social workers spend in direct contact with the children,
12 families, and foster parents involved with their open cases. The department
13 shall use some of the funds provided in several local offices to increase
14 staff that support case-carrying social workers in ways that will allow
15 social workers to increase direct contact time with children, families, and
16 foster parents. To achieve the goal of reaching an average caseload ratio
17 of 1:24 by the end of fiscal year 2003, the department shall develop a plan
18 for redeploying 30 FTEs to case-carrying social worker and support positions
19 from other areas in the children and family services budget. The FTE
20 redeployment plan shall be submitted to the fiscal committees of the
21 legislature by December 1, 2001.

22 ((+6)) (5) \$1,000,000 of the fiscal year 2002 general fund--state
23 appropriation and \$1,000,000 of the fiscal year 2003 general fund--state
24 appropriation are provided solely for increasing foster parent respite care
25 services that improve the retention of foster parents and increase the
26 stability of foster placements. The department shall report quarterly to
27 the appropriate committees of the legislature progress against appropriate
28 baseline measures for foster parent retention and stability of foster
29 placements.

30 ((+7)) (6) \$1,050,000 of the general fund--federal appropriation is
31 provided solely for increasing kinship care placements for children who
32 otherwise would likely be placed in foster care. These funds shall be used
33 for extraordinary costs incurred by relatives at the time of placement, or
34 for extraordinary costs incurred by relatives after placement if such costs
35 would likely cause a disruption in the kinship care placement. \$50,000 of
36 the funds provided shall be contracted to the Washington institute for
37 public policy to conduct a study of kinship care placements. The study
38 shall examine the prevalence and needs of families who are raising related
39 children and shall compare services and policies of Washington state with

1 other states that have a higher rate of kinship care placements in lieu of
2 foster care placements. The study shall identify possible changes in
3 services and policies that are likely to increase appropriate kinship care
4 placements.

5 ~~((+8))~~ (7) \$3,386,000 of the fiscal year 2002 general fund--state
6 appropriation, ~~((+7,671,000))~~ \$4,679,000 of the fiscal year 2003 general
7 fund--state appropriation, and ~~((+20,819,000))~~ \$19,709,000 of the general
8 fund--federal appropriation are provided solely for increases in the cost
9 per case for foster care and adoption support. \$16,000,000 of the general
10 fund--federal amount shall remain unallotted until the office of financial
11 management approves a plan submitted by the department to achieve a higher
12 rate of federal earnings in the foster care program. That plan shall also
13 be submitted to the fiscal committees of the legislature and shall indicate
14 projected federal revenue compared to actual fiscal year 2001 levels.
15 Within the amounts provided for foster care, the department shall increase
16 the basic rate for foster care to an average of \$420 per month on July 1,
17 2001~~((, and to an average of \$440 per month on July 1, 2002))~~. The
18 department shall use the remaining funds provided in this subsection to pay
19 for increases in the cost per case for foster care and adoption support.
20 The department shall seek to control rate increases and reimbursement
21 decisions for foster care and adoption support cases such that the cost per
22 case for family foster care, group care, receiving homes, and adoption
23 support does not exceed the amount assumed in the projected caseload
24 expenditures plus the amounts provided in this subsection.

25 ~~((+9))~~ (8) \$1,767,000 of the general fund--state appropriation for
26 fiscal year 2002, ~~((+2,461,000))~~ \$1,767,000 of the general fund--state
27 appropriation for fiscal year 2003, and ~~((+1,485,000))~~ \$1,241,000 of the
28 general fund--federal appropriation are provided solely for rate and
29 capacity increases for child placing agencies. Child placing agencies shall
30 increase their capacity by 15 percent in fiscal year 2002 ~~((and 30 percent
31 in fiscal year 2003))~~.

32 ~~((+10))~~ (9) The department shall provide secure crisis residential
33 facilities across the state in a manner that: (a) Retains geographic
34 provision of these services; and (b) retains beds in high use areas.

35 ~~((+11))~~ (10) \$125,000 of the general fund--state appropriation for
36 fiscal year 2002 and \$125,000 of the general fund--state appropriation for
37 fiscal year 2003 are provided solely for a foster parent retention program.
38 This program is directed at foster parents caring for children who act out

1 sexually, as described in House Bill No. 1525 (foster parent retention
2 program).

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

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

7 (~~((1) COMMUNITY SERVICES))~~)

| | | |
|----|--|------------------------------|
| 8 | General Fund--State Appropriation (FY 2002) . . . \$ | ((36,625,000)) |
| 9 | | <u>83,151,000</u> |
| 10 | General Fund--State Appropriation (FY 2003) . . . \$ | ((38,125,000)) |
| 11 | | <u>79,199,000</u> |
| 12 | General Fund--Federal Appropriation \$ | ((14,609,000)) |
| 13 | | <u>14,031,000</u> |
| 14 | General Fund--Private/Local Appropriation \$ | ((380,000)) |
| 15 | | <u>1,110,000</u> |
| 16 | Juvenile Accountability Incentive | |
| 17 | Account--Federal Appropriation \$ | ((9,361,000)) |
| 18 | | <u>10,461,000</u> |
| 19 | Public Safety and Education | |
| 20 | Account--State Appropriation \$ | ((6,196,000)) |
| 21 | | <u>5,999,000</u> |
| 22 | Violence Reduction and Drug Enforcement Account-- | |
| 23 | State Appropriation \$ | ((21,972,000)) |
| 24 | | <u>36,838,000</u> |
| 25 | TOTAL APPROPRIATION \$ | ((127,268,000)) |
| 26 | | <u>230,789,000</u> |

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

29 (~~((a))~~) (1) \$686,000 of the violence reduction and drug enforcement
30 account appropriation is provided solely for deposit in the county criminal
31 justice assistance account for costs to the criminal justice system
32 associated with the implementation of chapter 338, Laws of 1997 (juvenile
33 code revisions). The amounts provided in this subsection are intended to
34 provide funding for county adult court costs associated with the
35 implementation of chapter 338, Laws of 1997 and shall be distributed in
36 accordance with RCW 82.14.310.

1 ((~~(b)~~)) (2) \$5,980,000 of the violence reduction and drug enforcement
2 account appropriation is provided solely for the implementation of chapter
3 338, Laws of 1997 (juvenile code revisions). The amounts provided in this
4 subsection are intended to provide funding for county impacts associated
5 with the implementation of chapter 338, Laws of 1997 and shall be
6 distributed to counties as prescribed in the current consolidated juvenile
7 services (CJS) formula.

8 ((~~(c)~~)) (3) \$1,161,000 of the general fund--state appropriation for
9 fiscal year 2002, \$1,162,000 of the general fund--state appropriation for
10 fiscal year 2003, and \$5,190,000 of the violence reduction and drug
11 enforcement account appropriation are provided solely to implement community
12 juvenile accountability grants pursuant to chapter 338, Laws of 1997
13 (juvenile code revisions). Funds provided in this subsection may be used
14 solely for community juvenile accountability grants, administration of the
15 grants, and evaluations of programs funded by the grants.

16 ((~~(d)~~)) (4) \$2,515,000 of the violence reduction and drug enforcement
17 account appropriation is provided solely to implement alcohol and substance
18 abuse treatment programs for locally committed offenders. The juvenile
19 rehabilitation administration shall award these moneys on a competitive
20 basis to counties that submitted a plan for the provision of services
21 approved by the division of alcohol and substance abuse. The juvenile
22 rehabilitation administration shall develop criteria for evaluation of plans
23 submitted and a timeline for awarding funding and shall assist counties in
24 creating and submitting plans for evaluation.

25 ((~~(e)~~)) (5) \$100,000 of the general fund--state appropriation for
26 fiscal year 2002 and \$100,000 of the general fund--state appropriation for
27 fiscal year 2003 are provided solely for juvenile rehabilitation
28 administration to contract with the institute for public policy for
29 responsibilities assigned in chapter 338, Laws of 1997 (juvenile code
30 revisions).

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

35 ((~~(g)~~)) (7) \$423,000 of the general fund--state appropriation for
36 fiscal year 2002, ((~~(\$924,000)~~) \$754,100 of the general fund--state
37 appropriation for fiscal year 2003, ((~~(\$174,000)~~) \$152,000 of the general
38 fund--federal appropriation, ((~~(\$196,000)~~) \$172,000 of the public safety and
39 education assistance account appropriation, and ((~~(\$690,000)~~) \$604,000 of the

1 violence reduction and drug enforcement account appropriation are provided
2 solely to increase payment rates for contracted service providers.
3 ~~((+h))~~ (8) \$16,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$16,000 of the general fund--state appropriation for fiscal
5 year 2003 are provided solely for the implementation of chapter 167, Laws
6 of 1999 (firearms on school property). The amounts provided in this
7 subsection are intended to provide funding for county impacts associated
8 with the implementation of chapter 167, Laws of 1999, and shall be
9 distributed to counties as prescribed in the current consolidated juvenile
10 services (CJS) formula.

11 ~~((+i))~~ (9) \$3,441,000 of the general fund--state appropriation for
12 fiscal year 2002 and \$3,441,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for distribution to county juvenile
14 court administrators to fund the costs of processing truancy, children in
15 need of services, and at-risk youth petitions. The department shall not
16 retain any portion of these funds to cover administrative or any other
17 departmental costs. The department, in conjunction with the juvenile court
18 administrators, shall develop an equitable funding distribution formula.
19 The formula shall neither reward counties with higher than average per-
20 petition processing costs nor shall it penalize counties with lower than
21 average per-petition processing costs.

22 ~~((+j))~~ (10) \$6,000,000 of the public safety and education account--
23 state appropriation is provided solely for distribution to county juvenile
24 court administrators to fund the costs of processing truancy, children in
25 need of services, and at-risk youth petitions. ~~((To the extent that
26 distributions made under (i) and (j) of this subsection and pursuant to
27 section 801 of this act exceed actual costs of processing truancy, children
28 in need of services, and at-risk youth petitions, the department, in
29 consultation with the respective juvenile court administrator and the
30 county, may approve expenditure of funds provided in this subsection on
31 other costs of the civil or criminal justice system. When this occurs, the
32 department shall notify the office of financial management and the
33 legislative fiscal committees.))~~ The department shall not retain any
34 portion of these funds to cover administrative or any other departmental
35 costs. The department, in conjunction with the juvenile court
36 administrators, shall develop an equitable funding distribution formula.
37 The formula shall neither reward counties with higher than average per-
38 petition processing costs nor shall it penalize counties with lower than
39 average per-petition processing costs.

1 ~~((k))~~ (11) The distributions made under ~~((i))~~ (9) and ~~((j))~~ (10)
2 of this subsection and distributions from the county criminal justice
3 assistance account made pursuant to section 801 of this act constitute
4 appropriate reimbursement for costs for any new programs or increased level
5 of service for purposes of RCW 43.135.060.

6 ~~((l))~~ (12) Each quarter during the 2001-03 fiscal biennium, each
7 county shall report the number of petitions processed and the total actual
8 costs of processing the petitions in each of the following categories:
9 Truancy, children in need of services, and at-risk youth. Counties shall
10 submit the reports to the department no later than 45 days after the end of
11 the quarter. The department shall forward this information to the chair and
12 ranking minority member of the house of representatives appropriations
13 committee and the senate ways and means committee no later than 60 days
14 after a quarter ends. These reports are deemed informational in nature and
15 are not for the purpose of distributing funds.

16 ~~((m))~~ (13) \$1,692,000 of the juvenile accountability incentive
17 account--federal appropriation is provided solely for the continued
18 implementation of a pilot program to provide for postrelease planning and
19 treatment of juvenile offenders with co-occurring disorders.

20 ~~((n))~~ (14) \$22,000 of the violence reduction and drug enforcement
21 account appropriation is provided solely for the evaluation of the juvenile
22 offender co-occurring disorder pilot program implemented pursuant to (m) of
23 this subsection.

24 ~~((o))~~ (15) \$900,000 of the general fund--state appropriation for
25 fiscal year 2002 and \$900,000 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely for the continued implementation of the
27 juvenile violence prevention grant program established in section 204,
28 chapter 309, Laws of 1999.

29 ~~((p))~~ (16) \$33,000 of the general fund--state appropriation for
30 fiscal year 2002 and \$29,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for the implementation of House Bill
32 No. 1070 (juvenile offender basic training). If the bill is not enacted by
33 June 30, 2001, the amounts provided in this subsection shall lapse.

34 ~~((q))~~ (17) \$21,000 of the general fund--state appropriation for
35 fiscal year 2002 and \$42,000 of the general fund--state appropriation for
36 fiscal year 2003 are provided solely for the implementation of Senate Bill
37 No. 5468 (chemical dependency). If the bill is not enacted by June 30,
38 2001, the amounts provided in this subsection shall lapse.

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

24 (d) At least \$1,000,000 of the federal block grant funding appropriated
25 in this subsection shall be used for (i) initial development, training, and
26 operation of the community support teams which will work with long-term
27 state hospital residents prior and subsequent to their return to the
28 community; and (ii) development of support strategies which will reduce the
29 unnecessary and excessive use of state and local hospitals for short-term
30 crisis stabilization services. Such strategies may include training and
31 technical assistance to community long-term care and substance abuse
32 providers; the development of diversion beds and stabilization support
33 teams; examination of state hospital policies regarding admissions; and the
34 development of new contractual standards to assure that the statutory
35 requirement that 85 percent of short-term detentions be managed locally is
36 being fulfilled. The department shall report to the fiscal and policy
37 committees of the legislature on the results of these efforts by November
38 1, 2001, and again by November 1, 2002.

1 (e) The department is authorized to implement a new formula for
2 allocating available resources among the regional support networks. The
3 distribution formula shall use the number of persons eligible for the state
4 medical programs funded under chapter 74.09 RCW as the measure of the
5 requirement for the number of acutely mentally ill, chronically mentally
6 ill, severely emotionally disturbed children, and seriously disturbed in
7 accordance with RCW 71.24.035(13)(a). The new formula shall be phased in
8 over a period of no less than six years. Furthermore, the department shall
9 increase the medicaid capitation rates which a regional support network
10 would otherwise receive under the formula by an amount sufficient to assure
11 that total funding allocated to the regional support network in fiscal year
12 2002 increases by up to (~~(2.1)~~) 3.5 percent over the amount actually paid
13 to that regional support network in fiscal year 2001, and by up to an
14 additional (~~(2.3)~~) 5.0 percent in fiscal year 2003, if total funding to the
15 regional support network would otherwise increase by less than those
16 percentages under the new formula, and provided that the nonfederal share
17 of the higher medicaid payment rate is provided by the regional support
18 network from local funds.

19 (f) Within funds appropriated in this subsection, the department shall
20 contract with the Clark county regional support network for development and
21 operation of a project demonstrating collaborative methods for providing
22 intensive mental health services in the school setting for severely
23 emotionally disturbed children who are medicaid eligible. Project services
24 are to be delivered by teachers and teaching assistants who qualify as, or
25 who are under the supervision of, mental health professionals meeting the
26 requirements of chapter 275-57 WAC. The department shall increase medicaid
27 payments to the regional support network by the amount necessary to cover
28 the necessary and allowable costs of the demonstration, not to exceed the
29 upper payment limit specified for the regional support network in the
30 department's medicaid waiver agreement with the federal government after
31 meeting all other medicaid spending requirements assumed in this subsection.
32 The regional support network shall provide the department with (i) periodic
33 reports on project service levels, methods, and outcomes; and (ii) an
34 intergovernmental transfer equal to the state share of the increased
35 medicaid payment provided for operation of this project.

36 (g) The health services account appropriation is provided solely for
37 implementation of strategies which the department and the affected regional
38 support networks conclude will best assure continued availability of
39 community-based inpatient psychiatric services in all areas of the state.

1 Such strategies may include, but are not limited to, emergency contracts for
2 continued operation of inpatient facilities otherwise at risk of closure
3 because of demonstrated uncompensated care; start-up grants for development
4 of evaluation and treatment facilities; and increases in the rate paid for
5 inpatient psychiatric services for medically indigent and/or general
6 assistance for the unemployed patients. The funds provided in this
7 subsection must be: (i) Prioritized for use in those areas of the state
8 which are at greatest risk of lacking sufficient inpatient psychiatric
9 treatment capacity, rather than being distributed on a formula basis; (ii)
10 prioritized for use by those hospitals which do not receive low-income
11 disproportionate share hospital payments as of the date of application for
12 funding; and (iii) matched on a one-quarter local, three-quarters state
13 basis by funding from the regional support network or networks in the area
14 in which the funds are expended. Payments from the amount provided in this
15 subsection shall not be made to any provider that has not agreed that,
16 except for prospective rate increases, the payment shall offset, on a
17 dollar-for-dollar basis, any liability that may be established against, or
18 any settlement that may be agreed to by the state, regarding the rate of
19 state reimbursement for inpatient psychiatric care. The funds provided in
20 this subsection shall not be considered "available resources" as defined in
21 RCW 71.24.025 and are not subject to the distribution formula established
22 pursuant to RCW 71.24.035.

23 (h) The department shall assure that no regional support network uses
24 more than 8.0 percent of the state and federal funds received from
25 appropriations in this subsection for regional support network
26 administration.

27 (i) The department shall assure that each regional support network
28 increases spending on direct client services in fiscal years 2002 and 2003
29 by at least the same percentage as the total state, federal, and local funds
30 allocated to the regional support network in those years exceeds the amounts
31 allocated to it in fiscal year 2001.

32 (j) The department shall reduce state funding otherwise payable to a
33 regional support network in fiscal years 2002 and 2003 by the full amount
34 by which the regional support network's reserves and fund balances as of
35 December 31, 2001, exceed the required risk reserve for that regional
36 support network. The required reserve amount shall be calculated by
37 applying the risk reserve percentage specified in the department's contract
38 with the regional support network to the total state and federal revenues
39 for which the regional support network would otherwise be eligible in

1 accordance with this subsection. As used in this subsection, "reserves"
2 does not include capital project reserves established in accordance with
3 state accounting and reporting standards before January 1, 2002.

4 (k) The department shall maintain the same relative allocation of
5 budgeted, nonforensic state hospital beds among the regional support
6 networks as was in effect during fiscal year 2002 until at least thirty days
7 after adjournment of the first regular legislative session following
8 submission of a report on the appropriate allocation of these beds. In
9 preparing the report, the department shall: (i) Utilize the most current
10 and reliable applicable academic research, and shall consult with academic
11 and other national experts on mental health inpatient care; (ii) estimate
12 the relative need for short-term and long-term inpatient psychiatric care
13 in each of the state's regions, based upon the factors that the experts
14 identify as the best predictors of need, including geographic proximity to
15 the hospitals; and (iii) identify options for changing the current
16 distribution of state hospital beds among the regional support networks.
17 The report shall be prepared in consultation with representatives of people
18 with mental illness and the regional support networks, and shall be
19 submitted to appropriate committees of the legislature. This subsection
20 does not prohibit the replacement of current state hospital beds with
21 community alternatives as provided elsewhere in this section.

22 (2) INSTITUTIONAL SERVICES

| | | |
|----|--|--------------------|
| 23 | General Fund--State Appropriation (FY 2002) . . . \$ | ((85,836,000)) |
| 24 | | <u>84,075,000</u> |
| 25 | General Fund--State Appropriation (FY 2003) . . . \$ | ((83,001,000)) |
| 26 | | <u>80,887,000</u> |
| 27 | General Fund--Federal Appropriation \$ | ((139,098,000)) |
| 28 | | <u>140,131,000</u> |
| 29 | General Fund--Private/Local Appropriation \$ | ((29,289,000)) |
| 30 | | <u>29,920,000</u> |
| 31 | TOTAL APPROPRIATION \$ | ((337,224,000)) |
| 32 | | <u>335,013,000</u> |

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

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

1 (b) The mental health program at Western state hospital shall continue
2 to use labor provided by the Tacoma prerelease program of the department of
3 corrections.

4 (c) The department shall seek to reduce the census of the two state
5 psychiatric hospitals by (~~120~~) 178 beds by April 2003 by arranging and
6 providing community residential, mental health, and other support services
7 for long-term state hospital patients whose treatment needs constitute
8 substantial barriers to community placement and who no longer require active
9 psychiatric treatment at an inpatient hospital level of care, no longer meet
10 the criteria for inpatient involuntary commitment, and who are clinically
11 ready for discharge from a state psychiatric hospital. No such patient is
12 to move from the hospital until a team of community professionals has become
13 familiar with the person and their treatment plan; assessed their strengths,
14 preferences, and needs; arranged a safe, clinically-appropriate, and stable
15 place for them to live; assured that other needed medical, behavioral, and
16 social services are in place; and is contracted to monitor the person's
17 progress on an ongoing basis. The department and the regional support
18 networks shall endeavor to assure that hospital patients are able to return
19 to their area of origin, and that placements are not concentrated in
20 proximity to the hospitals.

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

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

31 (3) CIVIL COMMITMENT

| | |
|---|-----------------------------|
| 32 General Fund--State Appropriation (FY 2002) . . . \$ | ((20,037,000)) |
| | <u>18,267,000</u> |
| 34 General Fund--State Appropriation (FY 2003) . . . \$ | ((22,441,000)) |
| | <u>19,120,000</u> |
| 36 TOTAL APPROPRIATION \$ | ((42,478,000)) |
| | <u>37,387,000</u> |

37

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

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

8 (b) (~~(\$1,000,000)~~) \$300,000 of the general fund--state appropriation
9 for fiscal year 2002 and (~~(\$1,000,000)~~) \$300,000 of the general fund--state
10 appropriation for fiscal year 2003 are provided solely for mitigation
11 funding for jurisdictions affected by the placement of less restrictive
12 alternative facilities for persons conditionally released from the special
13 commitment center facility being constructed on McNeil Island. Of this
14 amount, up to \$45,000 per year is provided for the city of Lakewood for
15 police protection reimbursement at Western State Hospital and adjacent
16 areas, up to \$45,000 per year is provided for training police personnel on
17 chapter 12, Laws of 2001, 2nd sp. sess. (3ESSB 6151), up to \$125,000 per
18 year is provided for Pierce county for reimbursement of additional costs,
19 and the remaining amounts are for other documented costs by jurisdictions
20 directly impacted by the placement of the secure community transition
21 facility on McNeil Island. Pursuant to chapter 12, Laws of 2001, 2nd sp.
22 sess (3ESSB 6151), the department shall continue to work with local
23 jurisdictions towards reaching agreement for mitigation costs.

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

29 (d) \$600,000 of the general fund--state appropriation for fiscal year
30 2003 is provided solely for the implementation of Substitute Senate Bill No.
31 6594 (secure community transition facilities). If the bill is not enacted
32 by June 30, 2002, the amount provided in this subsection shall lapse.

33 (4) SPECIAL PROJECTS

| | |
|---|--------------------------|
| 34 General Fund--State Appropriation (FY 2002) . . . \$ | 444,000 |
| 35 General Fund--State Appropriation (FY 2003) . . . \$ | ((443,000)) |
| 36 | <u>57,000</u> |
| 37 General Fund--Federal Appropriation \$ | ((2,082,000)) |
| 38 | <u>1,802,000</u> |
| 39 TOTAL APPROPRIATION \$ | ((2,969,000)) |

| | | |
|----|--|---------------------------|
| 1 | | <u>2,303,000</u> |
| 2 | (5) PROGRAM SUPPORT | |
| 3 | General Fund--State Appropriation (FY 2002) . . \$ | (3,104,000) |
| 4 | | <u>2,979,000</u> |
| 5 | General Fund--State Appropriation (FY 2003) . . \$ | (3,231,000) |
| 6 | | <u>2,986,000</u> |
| 7 | General Fund--Federal Appropriation \$ | (5,796,000) |
| 8 | | <u>5,371,000</u> |
| 9 | TOTAL APPROPRIATION \$ | (12,131,000) |
| 10 | | <u>11,336,000</u> |

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

13 (a) \$113,000 of the general fund--state appropriation for fiscal year
14 2002, \$125,000 of the general fund--state appropriation for fiscal year
15 2003, and \$164,000 of the general fund--federal appropriation are provided
16 solely for the institute for public policy to evaluate the impacts of
17 chapter 214, Laws of 1999 (mentally ill offenders), chapter 217, Laws of
18 2000 (atypical anti-psychotic medications), chapter 297, Laws of 1998
19 (commitment of mentally ill persons), and chapter 334, Laws of 2001 (mental
20 health performance audit).

21 (b) \$168,000 of the general fund--state appropriation for fiscal year
22 2002, \$243,000 of the general fund--state appropriation for fiscal year
23 2003, and \$411,000 of the general fund--federal appropriation are provided
24 solely for the development and implementation of a uniform outcome-oriented
25 performance measurement system to be used in evaluating and managing the
26 community mental health service delivery system consistent with the
27 recommendations contained in the joint legislative audit and review
28 committee's audit of the public mental health system. Once implemented, the
29 use of performance measures will allow comparison of measurement results to
30 established standards and benchmarks among regional support networks,
31 service providers, and against other states. The department shall provide
32 a report to the appropriate committees of the legislature on the development
33 and implementation of the use of performance measures by October 2002.

34 ~~(c) (\$125,000 of the general fund--state appropriation for fiscal year~~
35 ~~2002, \$125,000 of the general fund--state appropriation for fiscal year~~
36 ~~2003, and \$250,000 of the general fund--federal appropriation are provided~~
37 ~~solely for a study of the prevalence of mental illness among the state's~~
38 ~~regional support networks. The study)) From funds appropriated in this~~

1 subsection, the department shall examine how reasonable estimates of the
 2 prevalence of mental illness relate to the incidence of persons enrolled in
 3 medical assistance programs in each regional support network area. In
 4 conducting this study, the department shall consult with the joint
 5 legislative audit and review committee, regional support networks, community
 6 mental health providers, and mental health consumer representatives. The
 7 department shall submit a final report on its findings to the fiscal, health
 8 care, and human services committees of the legislature by November 1, 2003.

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

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL DISABILITIES**
 12 **PROGRAM**

13 (1) COMMUNITY SERVICES

| | | |
|----|--|--------------------|
| 14 | General Fund--State Appropriation (FY 2002) . . . \$ | ((231,693,000)) |
| 15 | | <u>233,705,000</u> |
| 16 | General Fund--State Appropriation (FY 2003) . . . \$ | ((242,347,000)) |
| 17 | | <u>257,896,000</u> |
| 18 | General Fund--Federal Appropriation \$ | ((396,151,000)) |
| 19 | | <u>402,748,000</u> |
| 20 | Health Services Account--State | |
| 21 | Appropriation \$ | ((741,000)) |
| 22 | | <u>903,000</u> |
| 23 | TOTAL APPROPRIATION \$ | ((870,932,000)) |
| 24 | | <u>895,252,000</u> |

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

27 (a) The legislature finds that comprehensive reform of the
 28 developmental disabilities program is required. Recent audits and
 29 litigation indicate a need to improve the quality of program data,
 30 strengthen program and fiscal management, and clarify the criteria and
 31 determination of eligibility for services. Additional resources are also
 32 needed to expand access to community services. The appropriations in this
 33 section are intended to address the most urgent needs while strengthening
 34 program and fiscal accountability. The department shall provide monthly
 35 progress reports to the appropriate committees of the legislature on actions
 36 taken in three areas: The implementation of expanded services, the

1 development and implementation of a new home and community based medicaid
2 waiver, and improvements in program and fiscal management.

3 (b) \$13,705,000 of the fiscal year 2003 general fund--state
4 appropriation and \$2,096,000 of the general fund--federal appropriation are
5 provided solely for expanded access to community services. These amounts
6 are intended to provide family support for an additional 3,000 families,
7 expanded residential services for an additional 175 clients by the end of
8 the biennium, and an additional 267 clients transitioning from high school
9 to work. New funding for family support and high school transition along
10 with a portion of existing funding for these programs shall be provided as
11 supplemental security income (SSI) state supplemental payments. The
12 legislature finds that providing cash assistance to individuals and families
13 needing these supports promotes self-determination and independence. It is
14 the intent of the legislature that the department shall comply with federal
15 requirements to maintain aggregate funding for SSI state supplemental
16 payments while promoting self-determination and independence for persons
17 with developmental disabilities in families with low and moderate incomes.
18 This funding is also provided to increase the number of case workers
19 supporting clients receiving community services. These amounts and the
20 specified expansion of community services are intended to be the fiscal
21 component of the negotiated settlement in the pending litigation on
22 developmental disabilities services, *ARC v. Quasim*.

23 (c) The health services account appropriation and \$753,000 of the
24 general fund--federal appropriation are provided solely for health care
25 benefits for home care workers with family incomes below 200 percent of the
26 federal poverty level who are employed through state contracts for twenty
27 hours per week or more. Premium payments for individual provider home care
28 workers shall be made only to the subsidized basic health plan. Home care
29 agencies may obtain coverage either through the basic health plan or through
30 an alternative plan with substantially equivalent benefits.

31 ((+b+)) (d) \$902,000 of the general fund--state appropriation for
32 fiscal year 2002, \$3,372,000 of the general fund--state appropriation for
33 fiscal year 2003, and \$4,056,000 of the general fund--federal appropriation
34 are provided solely for community services for residents of residential
35 habilitation centers (RHCs) who are able to be adequately cared for in
36 community settings and who choose to live in those community settings. The
37 department shall ensure that the average cost per day for all program
38 services other than start-up costs shall not exceed \$280. If the number and
39 timing of residents choosing to move into community settings is not

1 sufficient to achieve the RHC cottage consolidation plan assumed in the
2 appropriations in subsection (2) of this section, the department shall
3 transfer sufficient appropriations from this subsection to subsection (2)
4 of this section to cover the added costs incurred in the RHCs. The
5 department shall report to the appropriate committees of the legislature,
6 within 45 days following each fiscal year quarter, the number of residents
7 moving into community settings and the actual expenditures for all community
8 services to support those residents.

9 ~~((c) \$1,440,000))~~ (e) \$1,153,000 of the general fund--state
10 appropriation for fiscal year 2002, ~~((\$3,041,000))~~ \$3,054,000 of the general
11 fund--state appropriation for fiscal year 2003, and ~~((\$4,311,000))~~
12 \$4,031,000 of the general fund--federal appropriation are provided solely
13 for expanded community services for persons with developmental disabilities
14 who also have community protection issues or are diverted or discharged from
15 state psychiatric hospitals. The department shall ensure that the average
16 cost per day for all program services other than start-up costs shall not
17 exceed \$275. The department shall report to the appropriate committees of
18 the legislature, within 45 days following each fiscal year quarter, the
19 number of persons served with these additional community services, where
20 they were residing, what kinds of services they were receiving prior to
21 placement, and the actual expenditures for all community services to support
22 these clients.

23 ~~((d) \$1,005,000 of the general fund--state appropriation for fiscal
24 year 2002, \$2,262,000 of the general fund--state appropriation for fiscal
25 year 2003, and \$2,588,000 of the general fund--federal appropriation are
26 provided solely for increasing case/resource management resources to improve
27 oversight and quality of care for persons enrolled in the medicaid home and
28 community services waiver for persons with developmental disabilities.))~~ (f)
29 The department shall not increase total enrollment in home and community
30 based waivers for persons with developmental disabilities except for
31 ~~((increases))~~ changes assumed in additional funding provided in subsections
32 (b) ~~((and (c)))~~, (d), and (e) of this section. Prior to submitting to the
33 health care financing authority any additional home and community based
34 waiver request for persons with developmental disabilities, the department
35 shall submit a summary of the waiver request to the appropriate committees
36 of the legislature. The summary shall include eligibility criteria, program
37 description, enrollment projections and limits, and budget and cost
38 effectiveness projections that distinguish the requested waiver from other
39 existing or proposed waivers.

1 ~~((e))~~ (g) \$1,000,000 of the general fund--state appropriation for
 2 fiscal year 2002 and \$1,000,000 of the general fund--state appropriation for
 3 fiscal year 2003 are provided solely for employment, or other day activities
 4 and training programs, for young adults with developmental disabilities who
 5 complete their high school curriculum in 2001 or 2002. These services are
 6 intended to assist with the transition to work and more independent living.
 7 Funding shall be used to the greatest extent possible for vocational
 8 rehabilitation services matched with federal funding. In recent years, the
 9 state general fund appropriation for employment and day programs has been
 10 underspent. These surpluses, built into the carry forward level budget,
 11 shall be redeployed for high school transition services.

12 ~~((f))~~ (h) \$369,000 of the fiscal year 2002 general fund--state
 13 appropriation and \$369,000 of the fiscal year 2003 general fund--state
 14 appropriation are provided solely for continuation of the autism pilot
 15 project started in 1999.

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

29 (2) INSTITUTIONAL SERVICES

| | | |
|----|--|----------------------------|
| 30 | General Fund--State Appropriation (FY 2002) . . . \$ | ((71,977,000)) |
| 31 | | <u>69,375,000</u> |
| 32 | General Fund--State Appropriation (FY 2003) . . . \$ | ((69,303,000)) |
| 33 | | <u>68,203,000</u> |
| 34 | General Fund--Federal Appropriation \$ | ((145,641,000)) |
| 35 | | <u>145,672,000</u> |
| 36 | General Fund--Private/Local Appropriation \$ | ((10,230,000)) |
| 37 | | <u>11,230,000</u> |
| 38 | TOTAL APPROPRIATION \$ | ((297,151,000)) |
| 39 | | <u>294,480,000</u> |

1 The appropriations in this subsection are subject to the following
 2 conditions and limitations: Pursuant to RCW 71A.12.160, if residential
 3 habilitation center capacity is not being used for permanent residents, the
 4 department (~~may~~) shall make residential habilitation center vacancies
 5 available for respite care and any other services needed to care for clients
 6 who are not currently being served in a residential habilitation center and
 7 whose needs require staffing levels similar to current residential
 8 habilitation center residents. Providing respite care shall not impede the
 9 department's ability to consolidate cottages, and maintain expenditures
 10 within allotments, as assumed in the appropriations in this subsection.

11 (3) PROGRAM SUPPORT

| | | |
|----|---|--------------------------|
| 12 | General Fund--State Appropriation (FY 2002) . . . \$ | ((2,601,000)) |
| 13 | | <u>1,711,000</u> |
| 14 | General Fund--State Appropriation (FY 2003) . . . \$ | ((2,623,000)) |
| 15 | | <u>2,237,000</u> |
| 16 | General Fund--Federal Appropriation \$ | ((2,413,000)) |
| 17 | | <u>2,742,000</u> |
| 18 | <u>Telecommunications Devices for the Hearing and</u> | |
| 19 | <u>Speech Impaired Account Appropriation</u> \$ | <u>1,767,000</u> |
| 20 | TOTAL APPROPRIATION \$ | ((7,637,000)) |
| 21 | | <u>8,457,000</u> |

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

24 (a) \$500,000 of the fiscal year 2003 general fund--state appropriation
 25 and \$300,000 of the general fund--federal appropriation are provided solely
 26 for improved fiscal management of the home and community-based waiver and
 27 other community services.

28 ~~(b) ((\$50,000 of the fiscal year 2002 general fund--state appropriation~~
 29 ~~and \$50,000 of the fiscal year 2003 general fund--state appropriation are))~~
 30 \$100,000 of the telecommunications devices for the hearing and speech
 31 impaired account appropriation is provided solely for increasing the
 32 contract amount for the southeast Washington deaf and hard of hearing
 33 services center due to increased workload.

34 (4) SPECIAL PROJECTS

| | | |
|----|--|------------|
| 35 | General Fund--Federal Appropriation \$ | 11,995,000 |
|----|--|------------|

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

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT SERVICES**
4 **PROGRAM**

| | | |
|----|--|--------------------------------|
| 5 | General Fund--State Appropriation (FY 2002) . . . \$ | ((518,911,000)) |
| 6 | | <u>506,139,000</u> |
| 7 | General Fund--State Appropriation (FY 2003) . . . \$ | ((537,907,000)) |
| 8 | | <u>511,575,000</u> |
| 9 | General Fund--Federal Appropriation \$ | ((1,078,417,000)) |
| 10 | | <u>1,051,847,000</u> |
| 11 | General Fund--Private/Local Appropriation \$ | ((4,324,000)) |
| 12 | | <u>11,803,000</u> |
| 13 | Health Services Account--State | |
| 14 | Appropriation \$ | 4,523,000 |
| 15 | TOTAL APPROPRIATION \$ | ((2,144,082,000)) |
| 16 | | <u>2,085,887,000</u> |

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

19 (1) The entire health services account appropriation, \$1,210,000 of the
20 general fund--state appropriation for fiscal year 2002, \$1,423,000 of the
21 general fund--state appropriation for fiscal year 2003, and \$6,794,000 of
22 the general fund--federal appropriation are provided solely for health care
23 benefits for home care workers who are employed through state contracts for
24 at least twenty hours per week. Premium payments for individual provider
25 home care workers shall be made only to the subsidized basic health plan,
26 and only for persons with incomes below 200 percent of the federal poverty
27 level. Home care agencies may obtain coverage either through the basic
28 health plan or through an alternative plan with substantially equivalent
29 benefits.

30 (2) \$1,706,000 of the general fund--state appropriation for fiscal year
31 2002 and \$1,706,000 of the general fund--state appropriation for fiscal year
32 2003, plus the associated vendor rate increase for each year, are provided
33 solely for operation of the volunteer chore services program.

34 (3) For purposes of implementing chapter 74.46 RCW, the weighted
35 average nursing facility payment rate shall be no more than \$128.79 for
36 fiscal year 2002, and no more than ((~~\$134.45~~)) \$132.58 for fiscal year 2003.
37 For all facilities, the therapy care, support services, and operations
38 component rates established in accordance with chapter 74.46 RCW shall be

1 adjusted for economic trends and conditions by 2.1 percent effective July
2 1, 2001, and by an additional (~~(2.3)~~) 1.5 percent effective July 1, 2002.
3 For case-mix facilities, direct care component rates established in
4 accordance with chapter 74.46 RCW shall also be adjusted for economic trends
5 and conditions by 2.1 percent effective July 1, 2001, and by an additional
6 2.3 percent effective July 1, 2002. Additionally, to facilitate the
7 transition to a fully case-mix based direct care payment system, the median
8 price per case-mix unit for each of the applicable direct care peer groups
9 shall be increased on a one-time basis by 2.64 percent effective July 1,
10 2002.

11 (4) In accordance with Substitute House Bill No. 2242 (nursing home
12 rates), the department shall issue certificates of capital authorization
13 which result in up to \$10 million of increased asset value completed and
14 ready for occupancy in fiscal year 2003; in up to \$27 million of increased
15 asset value completed and ready for occupancy in fiscal year 2004; and in
16 up to \$27 million of increased asset value completed and ready for occupancy
17 in fiscal year 2005.

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

21 (6) Within funds appropriated in this section and in section 204 of
22 this act, the aging and adult services program shall coordinate with and
23 actively support the efforts of the mental health program and of the
24 regional support networks to provide stable community living arrangements
25 for persons with dementia and traumatic brain injuries who have been long-
26 term residents of the state psychiatric hospitals. The aging and adult
27 services program shall report to the health care and fiscal committees of
28 the legislature by November 1, 2001, and by November 1, 2002, on the actions
29 it has taken to achieve this objective.

30 (7) Within funds appropriated in this section and in section 204 of
31 this act, the aging and adult services program shall devise and implement
32 strategies in partnership with the mental health program and the regional
33 support networks to reduce the use of state and local psychiatric hospitals
34 for the short-term stabilization of persons with dementia and traumatic
35 brain injuries. Such strategies may include training and technical
36 assistance to help long-term care providers avoid and manage behaviors which
37 might otherwise result in psychiatric hospitalizations; monitoring long-term
38 care facilities to assure residents are receiving appropriate mental health
39 care and are not being inappropriately medicated or hospitalized; the

1 development of diversion beds and stabilization support teams; and the
2 establishment of systems to track the use of psychiatric hospitals by long-
3 term care providers. The aging and adult services program shall report to
4 the health care and fiscal committees of the legislature by November 1,
5 2001, and by November 1, 2002, on the actions it has taken to achieve this
6 objective.

7 (8) In accordance with Substitute House Bill No. 1341, the department
8 may implement ~~((two))~~ a medicaid waiver program~~((s))~~ for persons who do not
9 qualify for such services as categorically needy, subject to federal
10 approval and the following conditions and limitations:

11 (a) ~~((One))~~ The waiver program shall include coverage of ~~((home-based~~
12 ~~services, and the second shall include coverage of))~~ care in community
13 residential facilities. ~~((Enrollment in the waiver covering home-based~~
14 ~~services shall not exceed 150 persons by the end of fiscal year 2002, nor~~
15 ~~200 persons by the end of fiscal year 2003.))~~ Enrollment in the waiver
16 ~~((covering community residential services))~~ shall not exceed ~~((500))~~ 50
17 persons by the end of fiscal year 2002, nor ~~((900))~~ 600 persons by the end
18 of fiscal year 2003.

19 (b) For each month of waiver service delivered to a person who was not
20 covered by medicaid prior to their enrollment in the waiver, the aging and
21 adult services program shall transfer to the medical assistance program
22 state and federal funds equal to the monthly per capita expenditure amount,
23 net of drug rebates, estimated for medically needy-aged persons in the most
24 recent forecast of medical assistance expenditures.

25 (c) The department shall identify the number of medically needy nursing
26 home residents, and enrollment and expenditures on ~~((each of))~~ the ~~((two))~~
27 medically needy waiver~~((s))~~, on monthly management reports.

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

33 (9) \$50,000 of the general fund--state appropriation for fiscal year
34 2002 and \$50,000 of the general fund--state appropriation for fiscal year
35 2003 are provided solely for payments to any nursing facility licensed under
36 chapter 18.51 RCW which meets all of the following criteria: (a) The
37 nursing home entered into an arm's length agreement for a facility lease
38 prior to January 1, 1980; (b) the lessee purchased the leased nursing home
39 after January 1, 1980; and (c) the lessor defaulted on its loan or mortgage

1 for the assets of the home after January 1, 1991, and prior to January 1,
2 1992. Payments provided pursuant to this subsection shall not be subject
3 to the settlement, audit, or rate-setting requirements contained in chapter
4 74.46 RCW.

5 (10) \$364,000 of the general fund--state appropriation for fiscal year
6 2002, \$364,000 of the general fund--state appropriation for fiscal year
7 2003, and \$740,000 of the general fund--federal appropriation are provided
8 solely for payment of exceptional care rates so that persons with
9 Alzheimer's disease and related dementias who might otherwise require
10 nursing home or state hospital care can instead be served in boarding home-
11 licensed facilities which specialize in the care of such conditions.

12 (11) From funds appropriated in this section, the department shall
13 increase compensation for individual and for agency home care providers.
14 Payments to individual home care providers are to be increased from \$7.18
15 per hour to \$7.68 per hour on July 1, 2001. Payments to agency providers
16 are to be increased to \$13.30 per hour on July 1, 2001, and to \$13.44 per
17 hour on July 1, 2002. All but 18 cents per hour of the July 1, 2001,
18 increase to agency providers is to be used to increase wages for direct care
19 workers. The appropriations in this section also include the funds needed
20 for the employer share of unemployment and social security taxes on the
21 amount of the wage increase required by this subsection.

22 (12) \$2,507,000 of the general fund--state appropriation for fiscal
23 year 2002, \$2,595,000 of the general fund--state appropriation for fiscal
24 year 2003, and \$5,100,000 of the general fund--federal appropriation are
25 provided solely for prospective rate increases intended to increase
26 compensation by an average of fifty cents per hour for low-wage workers in
27 agencies which contract with the state to provide community residential
28 services for persons with functional disabilities. In consultation with the
29 statewide associations representing such agencies, the department shall
30 establish a mechanism for testing the extent to which funds have been used
31 for this purpose, and report the results to the fiscal committees of the
32 legislature by February 1, 2002. The amounts in this subsection also
33 include the funds needed for the employer share of unemployment and social
34 security taxes on the amount of the wage increase.

35 (13) \$1,082,000 of the general fund--state appropriation for fiscal
36 year 2002, \$1,082,000 of the general fund--state appropriation for fiscal
37 year 2003, and \$2,204,000 of the general fund--federal appropriation are
38 provided solely for prospective rate increases intended to increase
39 compensation for low-wage workers in nursing homes which contract with the

1 state. For fiscal year 2002, the department shall add forty-five cents per
2 patient day to the direct care rate which would otherwise be paid to each
3 nursing facility in accordance with chapter 74.46 RCW. For fiscal year
4 2003, the department shall increase the median price per case-mix unit for
5 each of the applicable peer groups by six-tenths of one percent in order to
6 distribute the available funds. In consultation with the statewide
7 associations representing nursing facilities, the department shall establish
8 a mechanism for testing the extent to which funds have been used for this
9 purpose, and report the results to the fiscal committees of the legislature
10 by February 1, 2002.

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

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

| | | |
|----|--|--------------------------------|
| 14 | General Fund--State Appropriation (FY 2002) . . . \$ | ((436,440,000)) |
| 15 | | <u>442,984,000</u> |
| 16 | General Fund--State Appropriation (FY 2003) . . . \$ | ((424,870,000)) |
| 17 | | <u>409,911,000</u> |
| 18 | General Fund--Federal Appropriation \$ | ((1,356,351,000)) |
| 19 | | <u>1,359,505,000</u> |
| 20 | General Fund--Private/Local Appropriation \$ | ((31,788,000)) |
| 21 | | <u>33,880,000</u> |
| 22 | TOTAL APPROPRIATION \$ | ((2,249,449,000)) |
| 23 | | <u>2,246,280,000</u> |

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

26 (1) ((~~\$282,081,000~~)) \$281,035,000 of the general fund--state
27 appropriation for fiscal year 2002, ((~~\$278,277,000~~)) \$292,231,000 of the
28 general fund--state appropriation for fiscal year 2003, \$1,254,197,000 of
29 the general fund--federal appropriation, and ((~~\$29,352,000~~)) \$31,444,000 of
30 the general fund--local appropriation are provided solely for the WorkFirst
31 program and child support operations. WorkFirst expenditures include TANF
32 grants, diversion services, subsidized child care, employment and training,
33 other WorkFirst related services, allocated field services operating costs,
34 and allocated economic services program administrative costs. Within the
35 amounts provided in this subsection, the department shall:

36 (a) Continue to implement WorkFirst program improvements that are
37 designed to achieve progress against outcome measures specified in RCW

1 74.08A.410. Valid outcome measures of job retention and wage progression
2 shall be developed and reported quarterly to appropriate fiscal and policy
3 committees of the legislature for families who leave assistance, measured
4 after 12 months, 24 months, and 36 months. An increased attention to job
5 retention and wage progression is necessary to emphasize the legislature's
6 goal that the WorkFirst program succeed in helping recipients gain long-term
7 economic independence and not cycle on and off public assistance. The wage
8 progression measure shall report the median percentage increase in quarterly
9 earnings and hourly wage after 12 months, 24 months, and 36 months. The
10 wage progression report shall also report the percent with earnings above
11 one hundred percent and two hundred percent of the federal poverty level.
12 The report shall compare former WorkFirst participants with similar workers
13 who did not participate in WorkFirst. The department shall also report the
14 percentage of families who have returned to temporary assistance for needy
15 families after 12 months, 24 months, and 36 months.

16 (b) Develop informational materials that educate families about the
17 difference between cash assistance and work support benefits. These
18 materials must explain, among other facts, that the benefits are designed
19 to support their employment, that there are no time limits on the receipt
20 of work support benefits, and that immigration or residency status will not
21 be affected by the receipt of benefits. These materials shall be posted in
22 all community service offices and distributed to families. Materials must
23 be available in multiple languages. When a family leaves the temporary
24 assistance for needy families program, receives cash diversion assistance,
25 or withdraws a temporary assistance for needy families application, the
26 department of social and health services shall educate them about the
27 difference between cash assistance and work support benefits and offer them
28 the opportunity to begin or to continue receiving work support benefits, so
29 long as they are eligible. The department shall provide this information
30 through in-person interviews, over the telephone, and/or through the mail.
31 Work support benefits include food stamps, medicaid for all family members,
32 medicaid or state children's health insurance program for children, and
33 child care assistance. The department shall report annually to the
34 legislature the number of families who have had exit interviews, been
35 reached successfully by phone, and been sent mail. The report shall also
36 include the percentage of families who elect to continue each of the
37 benefits and the percentage found ineligible by each substantive reason
38 code. A substantive reason code shall not be "other." The report shall

1 identify barriers to informing families about work support benefits and
2 describe existing and future actions to overcome such barriers.

3 (c) From the amounts provided in this subsection, provide \$50,000 from
4 the general fund--state appropriation for fiscal year 2002 and \$50,000 from
5 the general fund--state appropriation for fiscal year 2003 to the Washington
6 institute for public policy for continuation of the WorkFirst evaluation
7 database.

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

13 (e) Reduce funding contracted to the department of employment security
14 in order to maintain funding for drug and alcohol treatment services
15 designed to help TANF parents enter the job market and keep their jobs.

16 (2) (~~(\$48,341,000)~~) \$54,623,000 of the general fund--state
17 appropriation for fiscal year 2002 and (~~(\$48,341,000)~~) \$51,268,000 of the
18 general fund--state appropriation for fiscal year 2003 are provided solely
19 for cash assistance and other services to recipients in the general
20 assistance--unemployable program. Within these amounts, the department may
21 expend funds for services that assist recipients to reduce their dependence
22 on public assistance, provided that expenditures for these services and cash
23 assistance do not exceed the funds provided.

24 (3) \$5,632,000 of the general fund--state appropriation for fiscal year
25 2002 and (~~(\$5,632,000)~~) \$1,132,000 of the general fund--state appropriation
26 for fiscal year 2003 are provided solely for the food assistance program for
27 legal immigrants. The level of benefits shall be equivalent to the benefits
28 provided by the federal food stamp program.

29 (4) \$48,000 of the general fund--state appropriation for fiscal year
30 2002 is provided solely to implement chapter 111, Laws of 2001
31 (veterans/Philippines).

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

36 **Sec. 208.** 2001 2nd sp.s. c 7 s 208 (uncodified) is amended to read as
37 follows:

1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE**
2 **ABUSE PROGRAM**

| | | |
|----|--|------------------------------|
| 3 | General Fund--State Appropriation (FY 2002) . . . \$ | ((38,047,000)) |
| 4 | | <u>35,851,000</u> |
| 5 | General Fund--State Appropriation (FY 2003) . . . \$ | ((38,938,000)) |
| 6 | | <u>37,622,000</u> |
| 7 | General Fund--Federal Appropriation \$ | ((91,695,000)) |
| 8 | | <u>91,563,000</u> |
| 9 | General Fund--Private/Local Appropriation \$ | 723,000 |
| 10 | Public Safety and Education Account--State | |
| 11 | Appropriation \$ | ((13,733,000)) |
| 12 | | <u>13,321,000</u> |
| 13 | Violence Reduction and Drug Enforcement Account-- | |
| 14 | State Appropriation \$ | ((52,510,000)) |
| 15 | | <u>51,764,000</u> |
| 16 | TOTAL APPROPRIATION \$ | ((235,646,000)) |
| 17 | | <u>230,844,000</u> |

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

20 (1) ((~~\$1,610,000~~)) \$810,000 of the general fund--state appropriation
21 for fiscal year 2002 and \$1,622,000 of the general fund--state appropriation
22 for fiscal year 2003 are provided solely for expansion of 35 drug and
23 alcohol treatment beds for persons committed under RCW 70.96A.140. Patients
24 meeting the commitment criteria of RCW 70.96A.140 but who voluntarily agree
25 to treatment in lieu of commitment shall also be eligible for treatment in
26 these additional treatment beds. The department shall develop specific
27 placement criteria for these expanded treatment beds to ensure that this new
28 treatment capacity is prioritized for persons incapacitated as a result of
29 chemical dependency and who are also high utilizers of hospital services.
30 These additional treatment beds shall be located in the eastern part of the
31 state.

32 (2) ((~~\$2,800,000~~)) \$1,400,000 of the public safety and education
33 account--state appropriation is provided solely for expansion of treatment
34 for persons gravely disabled by abuse and addiction to alcohol and other
35 drugs including methamphetamine.

36 (3) \$1,083,000 of the public safety and education account--state
37 appropriation is provided solely for adult and juvenile drug courts that
38 have a net loss of federal grant funding in state fiscal year 2002 and state
39 fiscal year 2003. This appropriation is intended to cover approximately

1 one-half of lost federal funding. It is the intent of the legislature to
2 provide state assistance to counties to cover a part of lost federal funding
3 for drug courts for a maximum of three years.

4 (4) \$1,993,000 of the public safety and education account--state
5 appropriation and \$951,000 of the general fund--federal appropriation are
6 provided solely for drug and alcohol treatment for SSI clients. The
7 department shall continue research and post-program evaluation of these
8 clients to further determine the post-treatment utilization of medical
9 services and the service effectiveness of consolidation.

10 (5) \$500,000 of the violence reduction and drug enforcement account
11 appropriation for fiscal year 2003 is provided solely for the department to
12 provide treatment for pathological gambling or training for the treatment
13 of pathological gambling under Second Substitute Senate Bill No. 6560
14 (shared game lottery). If the bill is not enacted by June 30, 2002, the
15 amount provided in this subsection shall lapse.

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

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

| | | |
|----|--|----------------------------------|
| 19 | General Fund--State Appropriation (FY 2002) . . . | \$((1,028,885,000)) |
| 20 | | <u>1,072,650,000</u> |
| 21 | General Fund--State Appropriation (FY 2003) . . . | \$((1,130,904,000)) |
| 22 | | <u>1,132,694,000</u> |
| 23 | General Fund--Federal Appropriation | \$((3,637,511,000)) |
| 24 | | <u>3,619,014,000</u> |
| 25 | General Fund--Private/Local Appropriation \$ | ((276,147,000)) |
| 26 | | <u>211,272,000</u> |
| 27 | Emergency Medical Services and Trauma Care Systems | |
| 28 | Trust Account--State Appropriation | \$ 9,200,000 |
| 29 | Health Services Account--State Appropriation | \$((1,043,310,000)) |
| 30 | | <u>1,108,727,000</u> |
| 31 | TOTAL APPROPRIATION | \$((7,125,957,000)) |
| 32 | | <u>7,153,557,000</u> |

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

35 (1) The department shall increase its efforts to restrain the growth of
36 health care costs. The appropriations in this section anticipate that the
37 department implements a combination of cost containment and utilization

1 strategies sufficient to reduce general fund--state costs by approximately
2 3 percent below the level projected for the 2001-03 biennium in the March
3 2001 forecast. The department shall report to the fiscal committees of the
4 legislature by October 1, 2001, on its specific plans and semiannual targets
5 for accomplishing these savings. The department shall report again to the
6 fiscal committees by March 1, 2002, and by September 1, 2002, on actual
7 performance relative to the semiannual targets. If satisfactory progress
8 is not being made to achieve the targeted savings, the reports shall include
9 recommendations for additional or alternative measures to control costs

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

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

16 (4) \$502,000 of the health services account appropriation, \$400,000 of
17 the general fund--private/local appropriation, and \$1,676,000 of the general
18 fund--federal appropriation are provided solely for implementation of Second
19 Substitute House Bill No. 1058 (breast and cervical cancer treatment). If
20 the bill is not enacted by June 30, 2001, or if private funding is not
21 contributed equivalent to the general fund--private/local appropriation, the
22 funds appropriated in this subsection shall lapse.

23 (5) \$620,000 of the health services account appropriation for fiscal
24 year 2002, \$1,380,000 of the health services account appropriation for
25 fiscal year 2003, and \$2,000,000 of the general fund--federal appropriation
26 are provided solely for implementation of a "ticket to work" medicaid buy-in
27 program for working persons with disabilities, operated in accordance with
28 the following conditions:

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

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

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

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

5 (e) The department shall establish systems for tracking and reporting
6 enrollment and expenditures in this program, and the prior medical
7 assistance eligibility status of new program enrollees. The department
8 shall additionally survey the prior and current employment status and
9 approximate hours worked of program enrollees, and report the results to the
10 fiscal and health care committees of the legislature by January 15, 200

11 (6) From funds appropriated in this section, the department shall
12 design, implement, and evaluate pilot projects to assist individuals with
13 at least three different diseases to improve their health, while reducing
14 total medical expenditures. The projects shall involve (a) identifying
15 persons who are seriously or chronically ill due to a combination of
16 medical, social, and functional problems; and (b) working with the
17 individuals and their care providers to improve adherence to state-of-the-
18 art treatment regimens. The department shall report to the health care and
19 the fiscal committees of the legislature by January 1, 2002, on the
20 particular disease states, intervention protocols, and delivery mechanisms
21 it proposes to test.

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

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

28 (9) \$80,000 of the general fund--state appropriation for fiscal year
29 2002, \$80,000 of the general fund--state appropriation for fiscal year 2003,
30 and \$160,000 of the general fund--federal appropriation are provided solely
31 for the newborn referral program to provide access and outreach to reduce
32 infant mortality.

33 (10) \$30,000 of the general fund--state appropriation for fiscal year
34 2002, \$31,000 of the general fund--state appropriation for fiscal year 2003,
35 and \$62,000 of the general fund--federal appropriation are provided solely
36 for implementation of Substitute Senate Bill No. 6020 (dental sealants).
37 If Substitute Senate Bill No. 6020 is not enacted by June 30, 2001, the
38 amounts provided in this subsection shall lapse.

1 (11) In accordance with RCW 74.46.625, (~~(\$376,318,000)~~) \$528,171,000 of
2 the health services account appropriation (~~(for fiscal year 2002,~~
3 ~~\$144,896,000 of the health services account appropriation for fiscal year~~
4 ~~2003, and \$542,089,000)~~) and \$526,014,000 of the general fund--federal
5 appropriation are provided solely for supplemental payments to nursing homes
6 operated by rural public hospital districts. The payments shall be
7 conditioned upon (a) a contractual commitment by the association of public
8 hospital districts and participating rural public hospital districts to make
9 an intergovernmental transfer to the state treasurer, for deposit into the
10 health services account, equal to at least 98 percent of the supplemental
11 payments; and (b) a contractual commitment by the participating districts
12 to not allow expenditures covered by the supplemental payments to be used
13 for medicaid nursing home rate-setting. The participating districts shall
14 retain no more than a total of \$20,000,000 for the 2001-03 biennium.

15 (12) (~~(\$38,690,000)~~) \$39,121,000 of the health services account
16 appropriation for fiscal year 2002, (~~(\$40,189,000)~~) \$40,337,000 of the
17 health services account appropriation for fiscal year 2003, and
18 (~~(\$80,241,000)~~) \$79,628,000 of the general fund--federal appropriation are
19 provided solely for additional disproportionate share and medicare upper
20 payment limit payments to public hospital districts.

21 (~~(a)~~) The payments shall be conditioned upon a contractual commitment
22 by the participating public hospital districts to make an intergovernmental
23 transfer to the health services account equal to at least 91 percent of the
24 additional payments. At least 28 percent of the amounts retained by the
25 participating hospital districts shall be allocated to the state's teaching
26 hospitals.

27 (~~(b) An additional 4.5 percent of the additional payments may be~~
28 ~~retained by the participating public hospital districts contingent upon the~~
29 ~~receipt of \$446,500,000 in newly identified proshare reimbursement from the~~
30 ~~federal government over the 2001-03 biennium. If the actual amount received~~
31 ~~is less than \$446,500,000, the amount retained pursuant to this subsection~~
32 ~~(12)(b) shall be prorated accordingly. The state teaching hospitals shall~~
33 ~~receive a distribution of the amount retained by the participating hospital~~
34 ~~districts in this subsection (12)(b) as allocated in (a) of this~~
35 ~~subsection.))~~)

36 (13) \$412,000 of the general fund--state appropriation for fiscal year
37 2002, \$862,000 of the general fund--state appropriation for fiscal year
38 2003, and \$730,000 of the general fund--federal appropriation are provided
39 solely for implementation of Substitute House Bill No. 1162 (small rural

1 hospitals). If Substitute House Bill No. 1162 is not enacted by June 30,
2 2001, the amounts provided in this subsection shall lapse.

3 (14) The department may continue to use any federal money available to
4 continue to provide medicaid matching funds for funds contributed by local
5 governments for purposes of conducting eligibility outreach to children and
6 underserved groups. The department shall ensure cooperation with the
7 anticipated audit of the school districts' matchable expenditures for this
8 program and advise the appropriate legislative fiscal committees of the
9 findings.

10 (15) The department shall coordinate with the health care authority to
11 actively assist children and immigrant adults not eligible for medicaid to
12 enroll in the basic health plan.

13 **Sec. 210.** 2001 2nd sp.s. c 7 s 210 (uncodified) is amended to read as
14 follows:

15 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL REHABILITATION**
16 **PROGRAM**

| | | |
|----|--|------------------------------|
| 17 | General Fund--State Appropriation (FY 2002) . . . \$ | ((11,309,000)) |
| 18 | | <u>11,135,000</u> |
| 19 | General Fund--State Appropriation (FY 2003) . . . \$ | ((9,780,000)) |
| 20 | | <u>9,385,000</u> |
| 21 | General Fund--Federal Appropriation \$ | ((83,738,000)) |
| 22 | | <u>82,235,000</u> |
| 23 | General Fund--Private/Local Appropriation \$ | 360,000 |
| 24 | TOTAL APPROPRIATION \$ | ((105,187,000)) |
| 25 | | <u>103,115,000</u> |

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

28 (1) The division of vocational rehabilitation shall negotiate
29 cooperative interagency agreements with state and local organizations to
30 improve and expand employment opportunities for people with severe
31 disabilities.

32 (2) The department shall actively assist participants in the employment
33 support services program to obtain other employment or training
34 opportunities over the course of fiscal year 2003.

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

1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
2 **SUPPORTING SERVICES PROGRAM**

| | | |
|----|--|------------------------------|
| 3 | General Fund--State Appropriation (FY 2002) . . . \$ | ((30,444,000)) |
| 4 | | <u>30,419,000</u> |
| 5 | General Fund--State Appropriation (FY 2003) . . . \$ | ((29,369,000)) |
| 6 | | <u>22,419,000</u> |
| 7 | General Fund--Federal Appropriation \$ | ((50,562,000)) |
| 8 | | <u>47,135,000</u> |
| 9 | General Fund--Private/Local Appropriation \$ | 810,000 |
| 10 | TOTAL APPROPRIATION \$ | ((111,185,000)) |
| 11 | | <u>100,783,000</u> |

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

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

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

30 (3) The department shall reconstitute the payment integrity program to
31 place greater emphasis upon the prevention of future billing errors, ensure
32 billing and administrative errors are treated in a manner distinct from
33 allegations of fraud and abuse, and shall rename the program. In keeping
34 with this revised focus, the department shall also increase to one thousand
35 dollars the cumulative total of apparent billing errors allowed before a
36 provider is contacted for repayment.

37 (4) By September 1, 2001, the department shall report to the fiscal
38 committees of the legislature results from the payment review program. The
39 report shall include actual costs recovered and estimated costs avoided for

1 fiscal year 2001 and the costs incurred by the department to administer the
2 program. The report shall document criteria and methodology used for
3 determining avoided costs. In addition, the department shall seek input
4 from health care providers and consumer organizations on modifications to
5 the program. The department shall provide annual updates to the report to
6 the fiscal committees of the legislature by September 1st of each year for
7 the preceding fiscal year.

8 (5) The department shall implement reductions in administrative
9 expenditures assumed in these appropriations that achieve ongoing savings,
10 reduce duplicative and redundant work processes, and, where possible,
11 eliminate entire administrative functions and offices. The department may
12 transfer amounts among sections and programs to achieve these savings
13 provided that reductions in direct services to clients and recipients of the
14 department shall not be counted as administrative reductions. The
15 department shall report to the appropriate committees of the legislature a
16 spending plan to achieve these reductions by July 1, 2002, and shall report
17 actual achieved administrative savings and projected saving for the
18 remainder of the biennium by December 1, 2002.

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

21 **FOR THE STATE HEALTH CARE AUTHORITY**

| | | |
|----|--|--------------------|
| 22 | General Fund--State Appropriation (FY 2002) . . . \$ | 6,655,000 |
| 23 | General Fund--State Appropriation (FY 2003) . . . \$ | ((6,654,000)) |
| 24 | | <u>9,654,000</u> |
| 25 | State Health Care Authority Administrative | |
| 26 | Account--State Appropriation \$ | ((20,091,000)) |
| 27 | | <u>20,032,000</u> |
| 28 | Health Services Account--State Appropriation . \$ | ((499,148,000)) |
| 29 | | <u>529,174,000</u> |
| 30 | General Fund--Federal Appropriation \$ | ((3,611,000)) |
| 31 | | <u>4,240,000</u> |
| 32 | <u>Medical Aid Account--State Appropriation \$</u> | <u>45,000</u> |
| 33 | TOTAL APPROPRIATION \$ | ((536,159,000)) |
| 34 | | <u>569,800,000</u> |

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

1 (1) \$6,551,000 of the general fund--state appropriation for fiscal year
2 2002 and \$6,550,000 of the general fund--state appropriation for fiscal year
3 2003 are provided solely for health care services provided through local
4 community clinics.

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

13 (3) The health care authority shall require organizations and
14 individuals which are paid to deliver basic health plan services and which
15 choose to sponsor enrollment in the subsidized basic health plan to pay the
16 following: (i) A minimum of fifteen dollars per enrollee per month for
17 persons below 100 percent of the federal poverty level; and (ii) a minimum
18 of twenty dollars per enrollee per month for persons whose family income is
19 100 percent to 125 percent of the federal poverty level.

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

27 (5) The administrator shall take at least the following actions to
28 assure that persons participating in the basic health plan are eligible for
29 the level of assistance they receive: (a) Require submission of income tax
30 returns and recent pay history from all applicants; (b) check employment
31 security payroll records at least once every twelve months on all enrollees;
32 (c) require enrollees whose income as indicated by payroll records exceeds
33 that upon which their subsidy is based to document their current income as
34 a condition of continued eligibility; (d) require enrollees for whom
35 employment security payroll records cannot be obtained to document their
36 current income at least once every six months; and (e) pursue repayment and
37 civil penalties from persons who have received excessive subsidies, as
38 provided in RCW 70.47.060(9).

1 (6) \$20,000,000 of the health services account appropriation is
2 provided solely for enrollment in the subsidized basic health plan of
3 persons who, solely by reason of their immigration status, are not eligible
4 for medicaid coverage of their nonemergent medical care needs.

5 (7) \$3,000,000 of the general fund--state appropriation for fiscal year
6 2003 is provided solely to increase the number of persons not eligible for
7 medicaid receiving dental care from nonprofit community clinics.

8 (8) The health care authority shall report to the fiscal committees of
9 the legislature on the costs, benefits, and feasibility of implementing a
10 system no later than January 1, 2004, under which the state's contribution
11 to the cost of employee medical coverage would be graduated according to
12 employee salary. Under the graduated system, employees in higher salary
13 ranges would pay a larger share of the cost of their medical coverage, while
14 those paid lower salaries would pay a smaller percentage of their premium.
15 The report shall be prepared in consultation with the department of
16 personnel and the state-supported colleges and universities, and shall be
17 submitted to the fiscal committees no later than December 1, 2002.

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

26 (10) \$685,000 of the health services account appropriation, \$629,000 of
27 the general fund--federal appropriation, and the medical aid account
28 appropriation are provided solely for implementation of Substitute Senate
29 Bill No. 6368 (prescription drug utilization and education). If the bill
30 is not enacted by June 30, 2002, these amounts shall lapse.

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

33 **FOR THE HUMAN RIGHTS COMMISSION**

| | | |
|----|--|----------------------------|
| 34 | General Fund--State Appropriation (FY 2002) . . . \$ | 2,688,000 |
| 35 | General Fund--State Appropriation (FY 2003) . . . \$ | ((2,700,000)) |
| 36 | | <u>2,619,000</u> |
| 37 | General Fund--Federal Appropriation \$ | 1,544,000 |
| 38 | General Fund--Private/Local Appropriation \$ | 100,000 |

1 TOTAL APPROPRIATION \$ ((7,032,000))
2 6,951,000

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

5 **FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**
6 Worker and Community Right-to-Know Account--State
7 Appropriation \$ 20,000
8 Accident Account--State Appropriation . . \$ ((14,692,000))
9 14,785,000
10 Medical Aid Account--State Appropriation . . . \$ ((14,694,000))
11 14,788,000
12 TOTAL APPROPRIATION \$ ((29,406,000))
13 29,593,000

14 **Sec. 215.** 2001 2nd sp.s. c 7 s 216 (uncodified) is amended to read as
15 follows:

16 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**
17 Municipal Criminal Justice Assistance Account--
18 Local Appropriation \$ 460,000
19 Death Investigations Account--State
20 Appropriation \$ 148,000
21 Public Safety and Education Account--State
22 Appropriation \$ ((18,439,000))
23 18,005,000
24 TOTAL APPROPRIATION \$ ((19,047,000))
25 18,613,000

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

28 (1) \$124,000 of the public safety and education account appropriation
29 is provided solely to allow the Washington association of sheriffs and
30 police chiefs to increase the technical and training support provided to the
31 local criminal justice agencies on the new incident-based reporting system
32 and the national incident-based reporting system.

33 (2) \$136,000 of the public safety and education account appropriation
34 is provided solely to allow the Washington association of prosecuting
35 attorneys to enhance the training provided to criminal justice personnel

1 (3) (~~(\$22,000)~~) \$19,000 of the public safety and education account
2 appropriation is provided solely to increase payment rates for the criminal
3 justice training commission's contracted food service provider.

4 (4) (~~(\$31,000)~~) \$27,000 of the public safety and education account
5 appropriation is provided solely to increase payment rates for the criminal
6 justice training commission's contract with the Washington association of
7 sheriffs and police chiefs.

8 (5) \$65,000 of the public safety and education account appropriation is
9 provided solely for regionalized training programs for school district and
10 local law enforcement officials on school safety issues.

11 (6) (~~(\$233,000 of the public safety and education account appropriation~~
12 ~~is provided solely for training and equipping local law enforcement officers~~
13 ~~to respond to methamphetamine crime.~~

14 ~~----- (7) \$374,000 of the public safety and education account appropriation~~
15 ~~is provided solely for the implementation of House Bill No. 1062~~
16 ~~(certification of peace officers). If the bill is not enacted by June 30,~~
17 ~~2001, the amounts provided in this subsection shall lapse.~~

18 ~~----- (8)) \$450,000 of the public safety and education account appropriation~~
19 is provided solely for grants to be distributed by the Washington
20 association of sheriffs and police chiefs for electronic mapping of school
21 facilities.

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

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

| | | |
|----|--|-----------------------------|
| 25 | General Fund--State Appropriation (FY 2002) . . . \$ | ((7,738,000)) |
| 26 | | <u>5,577,000</u> |
| 27 | General Fund--State Appropriation (FY 2003) . . . \$ | ((7,682,000)) |
| 28 | | <u>5,517,000</u> |
| 29 | General Fund--Federal Appropriation \$ | 1,250,000 |
| 30 | Public Safety and Education Account--State | |
| 31 | Appropriation \$ | ((19,862,000)) |
| 32 | | <u>19,311,000</u> |
| 33 | Public Safety and Education Account--Federal | |
| 34 | Appropriation \$ | ((6,950,000)) |
| 35 | | <u>3,331,000</u> |
| 36 | Public Safety and Education Account--Private/Local | |
| 37 | Appropriation \$ | ((4,200,000)) |
| 38 | | <u>2,100,000</u> |

| | | |
|----|---|--------------------|
| 1 | Asbestos Account--State Appropriation . . . \$ | 688,000 |
| 2 | Electrical License Account--State | |
| 3 | Appropriation \$ | 28,412,000 |
| 4 | Farm Labor Revolving Account--Private/Local | |
| 5 | Appropriation \$ | 28,000 |
| 6 | Worker and Community Right-to-Know Account--State | |
| 7 | Appropriation \$ | 2,281,000 |
| 8 | Public Works Administration Account--State | |
| 9 | Appropriation \$ | 2,856,000 |
| 10 | Accident Account--State Appropriation . . . \$ | ((179,186,000)) |
| 11 | | <u>184,219,000</u> |
| 12 | Accident Account--Federal Appropriation . . . \$ | 11,568,000 |
| 13 | Medical Aid Account--State Appropriation . . . \$ | ((176,715,000)) |
| 14 | | <u>178,666,000</u> |
| 15 | Medical Aid Account--Federal Appropriation \$ | 2,438,000 |
| 16 | Plumbing Certificate Account--State | |
| 17 | Appropriation \$ | 1,015,000 |
| 18 | Pressure Systems Safety Account--State | |
| 19 | Appropriation \$ | ((2,274,000)) |
| 20 | | <u>2,525,000</u> |
| 21 | TOTAL APPROPRIATION \$ | ((455,143,000)) |
| 22 | | <u>451,782,000</u> |

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

25 (1) Pursuant to RCW 7.68.015, the department shall operate the crime
26 victims compensation program within the public safety and education account
27 funds appropriated in this section and funds available in the crime victims
28 compensation trust account. In the event that cost containment measures are
29 necessary, the department may (a) institute copayments for services; (b)
30 develop preferred provider contracts; or (c) other cost containment
31 measures. Cost containment measures shall not include holding invoices
32 received in one fiscal period for payment from appropriations in subsequent
33 fiscal periods. No more than \$5,248,000 of the public safety and education
34 account appropriation shall be expended for department administration of the
35 crime victims compensation program.

36 (2) ~~((\$1,438,000 of the accident account--state appropriation and~~
37 ~~\$1,438,000 of the medical aid account--state appropriation are provided for~~
38 ~~the one-time cost of implementing a recent state supreme court ruling~~
39 ~~regarding the calculation of workers' compensation benefits. This decision~~

1 significantly increases the complexity of calculating benefits and therefore
2 increases the administrative and legal costs of the workers' compensation
3 program. The department shall develop and report to appropriate committees
4 of the legislature proposed statutory language that provides greater
5 certainty and simplicity in the calculation of benefits. The report shall
6 be submitted by October 1, 2001.

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

12 (3) \$300,000 of the medical aid account--state appropriation is
13 provided for a second center of occupational health and education to be
14 located on the east side of the state. These centers train physicians on
15 best practices for occupational medicine and work with labor and business
16 to improve the quality and outcomes of medical care provided to injured
17 workers.

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

20 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

| | | |
|----|--|--------------------------|
| 21 | General Fund--State Appropriation (FY 2002) . . . \$ | 999,000 |
| 22 | General Fund--State Appropriation (FY 2003) . . . \$ | ((999,000)) |
| 23 | | <u>969,000</u> |
| 24 | TOTAL APPROPRIATION \$ | ((1,998,000)) |
| 25 | | <u>1,968,000</u> |

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

28 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

29 (1) HEADQUARTERS

| | | |
|----|--|--------------------------|
| 30 | General Fund--State Appropriation (FY 2002) . . . \$ | 1,529,000 |
| 31 | General Fund--State Appropriation (FY 2003) . . . \$ | ((1,533,000)) |
| 32 | | <u>1,484,000</u> |
| 33 | Charitable, Educational, Penal, and Reformatory | |
| 34 | Institutions Account--State | |
| 35 | Appropriation \$ | 7,000 |
| 36 | TOTAL APPROPRIATION \$ | ((3,069,000)) |
| 37 | | <u>3,020,000</u> |

| | | |
|---|--|--------------------------|
| 1 | (2) FIELD SERVICES | |
| 2 | General Fund--State Appropriation (FY 2002) . . . \$ | 2,619,000 |
| 3 | General Fund--State Appropriation (FY 2003) . . . \$ | ((2,643,000)) |
| 4 | | <u>2,580,000</u> |
| 5 | General Fund--Federal Appropriation \$ | 155,000 |
| 6 | General Fund--Private/Local Appropriation \$ | 1,663,000 |
| 7 | TOTAL APPROPRIATION \$ | ((7,080,000)) |
| 8 | | <u>7,017,000</u> |

| | | |
|----|--|---------------------------|
| 9 | (3) INSTITUTIONAL SERVICES | |
| 10 | General Fund--State Appropriation (FY 2002) . . . \$ | ((6,832,000)) |
| 11 | | <u>5,765,000</u> |
| 12 | General Fund--State Appropriation (FY 2003) . . . \$ | ((4,600,000)) |
| 13 | | <u>5,516,000</u> |
| 14 | General Fund--Federal Appropriation \$ | ((28,699,000)) |
| 15 | | <u>27,437,000</u> |
| 16 | General Fund--Private/Local Appropriation \$ | ((25,614,000)) |
| 17 | | <u>22,828,000</u> |
| 18 | TOTAL APPROPRIATION \$ | ((65,745,000)) |
| 19 | | <u>61,546,000</u> |

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

26 NEW SECTION. Sec. 219. A new section is added to 2001 2nd sp.s. c 7
27 (uncodified) to read as follows:

| | | |
|----|--|---------|
| 28 | FOR THE HOME CARE QUALITY AUTHORITY | |
| 29 | General Fund--State Appropriation (FY 2003) . . . \$ | 152,000 |

30 The appropriation in this section is subject to the following
31 conditions and limitations: The general fund--state appropriation for
32 fiscal year 2003 is provided for start-up costs of the home care quality
33 authority, a new state agency established by the enactment of Initiative
34 Measure No. 775.

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

3 **FOR THE DEPARTMENT OF HEALTH**

| | | |
|----|--|------------------------------|
| 4 | General Fund--State Appropriation (FY 2002) . . . \$ | ((65,308,000)) |
| 5 | | <u>62,500,000</u> |
| 6 | General Fund--State Appropriation (FY 2003) . . . \$ | ((66,941,000)) |
| 7 | | <u>57,805,000</u> |
| 8 | Health Services Account--State Appropriation . . . \$ | ((24,186,000)) |
| 9 | | <u>28,357,000</u> |
| 10 | General Fund--Federal Appropriation \$ | ((276,840,000)) |
| 11 | | <u>296,992,000</u> |
| 12 | General Fund--Private/Local Appropriation \$ | ((81,526,000)) |
| 13 | | <u>82,912,000</u> |
| 14 | Hospital Commission Account--State | |
| 15 | Appropriation \$ | ((1,718,000)) |
| 16 | | <u>2,305,000</u> |
| 17 | Health Professions Account--State | |
| 18 | Appropriation \$ | ((38,456,000)) |
| 19 | | <u>39,855,000</u> |
| 20 | Emergency Medical Services and Trauma Care Systems | |
| 21 | Trust Account--State Appropriation \$ | 14,858,000 |
| 22 | Safe Drinking Water Account--State | |
| 23 | Appropriation \$ | ((2,701,000)) |
| 24 | | <u>2,689,000</u> |
| 25 | Drinking Water Assistance Account--Federal | |
| 26 | Appropriation \$ | ((13,400,000)) |
| 27 | | <u>13,376,000</u> |
| 28 | Waterworks Operator Certification--State | |
| 29 | Appropriation \$ | 622,000 |
| 30 | <u>Salmon Recovery Account--State Appropriation \$</u> | <u>182,000</u> |
| 31 | Water Quality Account--State Appropriation \$ | ((3,328,000)) |
| 32 | | <u>3,304,000</u> |
| 33 | Accident Account--State Appropriation . . . \$ | 257,000 |
| 34 | Medical Aid Account--State Appropriation . . . \$ | 45,000 |
| 35 | State Toxics Control Account--State | |
| 36 | Appropriation \$ | ((2,817,000)) |
| 37 | | <u>2,809,000</u> |
| 38 | Medical Test Site Licensure Account--State | |
| 39 | Appropriation \$ | ((1,369,000)) |

| | | |
|----|--|------------------------------|
| 1 | | <u>1,801,000</u> |
| 2 | Youth Tobacco Prevention Account--State | |
| 3 | Appropriation \$ | 1,797,000 |
| 4 | Tobacco Prevention and Control Account--State | |
| 5 | Appropriation \$ | ((34,992,000)) |
| 6 | | <u>43,737,000</u> |
| 7 | <u>Worker and Community Right-To-Know Account--State</u> | |
| 8 | <u>Appropriation \$</u> | <u>48,000</u> |
| 9 | TOTAL APPROPRIATION \$ | ((631,161,000)) |
| 10 | | <u>656,251,000</u> |

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

13 (1) The department or any successor agency is authorized to raise
14 existing fees charged to the drinking water operator certification, newborn
15 screening, radioactive materials, x-ray compliance, drinking water plan
16 review, midwifery, hearing and speech, veterinarians, psychologists,
17 pharmacists, hospitals, podiatrists, ((and)) home health and home care,
18 transient accommodations licensing, adult residential rehabilitation
19 facilities licensing, state institution licensing, medical test site
20 licensing, alcoholism treatment facilities licensing, and food handlers
21 programs, in excess of the fiscal growth factor established by Initiative
22 Measure No. 601, if necessary, to meet the actual costs of conducting
23 business and the appropriation levels in this section.

24 (2) \$339,000 of the general fund--state appropriation for fiscal year
25 2002 ((and \$339,000)), \$157,000 of the general fund--state appropriation for
26 fiscal year 2003, and the salmon recovery account appropriation are provided
27 solely for technical assistance to local governments and special districts
28 on water conservation and reuse.

29 (3) \$1,675,000 of the general fund--state fiscal year 2002
30 appropriation and \$1,676,000 of the general fund--state fiscal year 2003
31 appropriation are provided solely for the implementation of the Puget Sound
32 water work plan and agency action items, DOH-01, DOH-02, DOH-03, and DOH-04.

33 (4) The department of health shall not initiate any services that will
34 require expenditure of state general fund moneys unless expressly authorized
35 in this act or other law. The department may seek, receive, and spend,
36 under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in
37 this act as long as the federal funding does not require expenditure of
38 state moneys for the program in excess of amounts anticipated in this act.
39 If the department receives unanticipated unrestricted federal moneys, those

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

9 (5) (~~(\$5,779,000)~~) \$14,615,000 of the health services account--state
10 appropriation (~~((for fiscal year 2002 and \$4,665,000 of the health services~~
11 ~~account--state appropriation for fiscal year 2003 are))~~) and \$5,163,000 of
12 the general fund--state appropriation for fiscal year 2002 are provided
13 solely for (~~(purchase and distribution of the pneumococcal conjugate vaccine~~
14 ~~as part of))~~) the state's program of universal access to essential childhood
15 vaccines. The department shall utilize all available federal funding before
16 expenditure of these funds.

17 (6) \$85,000 of the general fund--state appropriation for fiscal year
18 2002 and \$65,000 of the general fund--state appropriation for fiscal year
19 2003 are provided solely for the implementation of Substitute House Bill No.
20 1365 (infant and child products). If the bill is not enacted by June 30,
21 2001, the amounts provided in this subsection shall lapse.

22 (7) (~~(\$58,000 of the general fund--state appropriation for fiscal year~~
23 ~~2002 and \$25,000 of the general fund--state appropriation for fiscal year~~
24 ~~2003 are provided solely for the implementation of Second Substitute House~~
25 ~~Bill No. 1590 (breastfeeding). If the bill is not enacted by June 30, 2001,~~
26 ~~the amounts provided in this subsection shall lapse.~~

27 ~~—(8)—~~) From funds appropriated in this section, the state board of
28 health shall convene a broadly-based task force to review the available
29 information on the potential risks and benefits to public and personal
30 health and safety, and to individual privacy, of emerging technologies
31 involving human deoxyribonucleic acid (DNA). The board may reimburse task
32 force members for travel expenses according to RCW 43.03.220. The task
33 force shall consider information provided to it by interested persons on:
34 (a) The incidence of discriminatory actions based upon genetic information;
35 (b) strategies to safeguard civil rights and privacy related to genetic
36 information; (c) remedies to compensate individuals for inappropriate use
37 of their genetic information; and (d) incentives for further research and
38 development on the use of DNA to promote public health, safety, and welfare.

1 The task force shall report on its findings and any recommendations to
2 appropriate committees of the legislature by October 1, 2002.

3 ~~((+9))~~ (8) \$533,000 of the general fund--state appropriation for
4 fiscal year 2002 and (~~(\$1,067,000)~~) \$847,000 of the general fund--state
5 appropriation for fiscal year 2003 are provided solely for performance-based
6 contracts with local jurisdictions to assure the safety of drinking water
7 provided by small "group B" water systems.

8 (9) By October 1, 2002, the department shall adopt rules and establish
9 mechanisms under which the state's contribution to the cost of care for
10 recipients of HIV early intervention services whose incomes are above 125
11 percent of the federal poverty level shall be adjusted on a sliding-scale
12 basis. The rules shall provide for the percentage of costs for which the
13 state is responsible to decrease according to the recipient's income, and
14 shall further provide for an annual limit on out-of-pocket expenditures for
15 recipients at each income range.

16 (10) By December 1, 2002, the department shall report to appropriate
17 committees of the legislature with a feasibility analysis of implementing
18 an electronic filing system for death certificates. The study shall be
19 conducted in consultation and cooperation with local and state registrars,
20 funeral directors, and physicians, and shall include an analysis of applying
21 an additional fee to death certificates to cover the cost of developing and
22 operating the electronic system.

23 (11) The community and worker right to know appropriation is provided
24 solely for implementation of Senate Bill No. 6356 (children's environmental
25 health protection advisory committee). If Senate Bill No. 6356 is not
26 enacted by June 30, 2002, the community and worker right-to-know account
27 appropriation in this section shall lapse.

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

30 **FOR THE DEPARTMENT OF CORRECTIONS**

31 The appropriations to the department of corrections in this act shall
32 be expended for the programs and in the amounts specified herein. However,
33 after May 1, 2002, after approval by the director of financial management
34 and unless specifically prohibited by this act, the department may transfer
35 general fund--state appropriations for fiscal year 2002 between programs.
36 The director of financial management shall notify the appropriate fiscal
37 committees of the senate and house of representatives in writing prior to
38 approving any deviations from appropriation levels.

| | | |
|----|--|---------------------------|
| 1 | (1) ADMINISTRATION AND SUPPORT SERVICES | |
| 2 | General Fund--State Appropriation (FY 2002) . . . \$ | ((36,156,000)) |
| 3 | | <u>36,786,000</u> |
| 4 | General Fund--State Appropriation (FY 2003) . . . \$ | ((36,365,000)) |
| 5 | | <u>36,212,000</u> |
| 6 | Public Safety and Education Account--State | |
| 7 | Appropriation \$ | 1,576,000 |
| 8 | Violence Reduction and Drug Enforcement | |
| 9 | Account Appropriation \$ | 3,254,000 |
| 10 | TOTAL APPROPRIATION \$ | ((77,351,000)) |
| 11 | | <u>77,828,000</u> |

12 The appropriations in this subsection are subject to the following
13 conditions and limitations: \$4,623,000 of the general fund--state
14 appropriation for fiscal year 2002, \$4,623,000 of the general fund--state
15 appropriation for fiscal year 2003, and \$3,254,000 of the violence reduction
16 and drug enforcement account appropriation are provided solely for the
17 replacement of the department's offender-based tracking system. This amount
18 is conditioned on the department satisfying the requirements of section 902
19 of this act. The department shall prepare an assessment of the fiscal
20 impact of any changes to the replacement project. The assessment shall

- 21 (a) Include a description of any changes to the replacement project
- 22 (b) Provide the estimated costs for each component in the 2001-03 and
- 23 subsequent biennia;
- 24 (c) Include a schedule that provides the time estimated to complete
- 25 changes to each component of the replacement project; and
- 26 (d) Be provided to the office of financial management, the department
- 27 of information services, the information services board, and the staff of
- 28 the fiscal committees of the senate and the house of representatives no
- 29 later than November 1, 2002.

| | | |
|----|--|----------------------------|
| 30 | (2) CORRECTIONAL OPERATIONS | |
| 31 | General Fund--State Appropriation (FY 2002) . . . \$ | ((397,231,000)) |
| 32 | | <u>404,390,000</u> |
| 33 | General Fund--State Appropriation (FY 2003) . . . \$ | ((407,078,000)) |
| 34 | | <u>412,717,000</u> |
| 35 | General Fund--Federal Appropriation \$ | ((12,096,000)) |
| 36 | | <u>9,142,000</u> |
| 37 | Violence Reduction and Drug Enforcement Account-- | |
| 38 | State Appropriation \$ | ((1,614,000)) |

| | | |
|---|---|------------------------------|
| 1 | | <u>1,582,000</u> |
| 2 | Public Health Services Account Appropriation . \$ | 1,453,000 |
| 3 | TOTAL APPROPRIATION \$ | ((819,472,000)) |
| 4 | | <u>829,284,000</u> |

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

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

12 (b) The department shall provide funding for the pet partnership
13 program at the Washington corrections center for women at a level at least
14 equal to that provided in the 1995-97 biennium.

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

20 (d) \$553,000 of the general fund--state appropriation for fiscal year
21 2002 and (~~(\$1,171,000)~~) \$956,000 of the general fund--state appropriation
22 for fiscal year 2003 are provided solely to increase payment rates for
23 contracted education providers, contracted chemical dependency providers,
24 and contracted work release facilities.

25 (e) During the 2001-03 biennium, when contracts are established or
26 renewed for offender pay phone and other telephone services provided to
27 inmates, the department shall select the contractor or contractors primarily
28 based on the following factors: (i) The lowest rate charged to both the
29 inmate and the person paying for the telephone call; and (ii) the lowest
30 commission rates paid to the department, while providing reasonable
31 compensation to cover the costs of the department to provide the telephone
32 services to inmates and provide sufficient revenues for the activities
33 funded from the institutional welfare betterment account as of January 1,
34 2000.

35 (f) For the acquisition of properties and facilities, the department of
36 corrections is authorized to enter into financial contracts, paid for from
37 operating resources, for the purposes indicated and in not more than the
38 principal amounts indicated, plus financing expenses and required reserves
39 pursuant to chapter 39.94 RCW. This authority applies to the following:

1 Lease-develop with the option to purchase or lease-purchase approximately
2 50 work release beds in facilities throughout the state for \$3,500,000.

3 (g) \$22,000 of the general fund--state appropriation for fiscal year
4 2002 and \$76,000 of the general fund--state appropriation for fiscal year
5 2003 are provided solely for the implementation of Second Substitute Senate
6 Bill No. 6151 (high risk sex offenders in the civil commitment and criminal
7 justice systems). If the bill is not enacted by June 30, 2001, the amounts
8 provided in this subsection shall lapse.

9 (h) The department may acquire a ferry for no more than \$1,000,000 from
10 Washington state ferries. Funds expended for this purpose will be recovered
11 from the sale of marine assets.

12 (i) \$31,000 of the general fund--state appropriation for fiscal year
13 2003 is provided solely for the implementation of Substitute Senate Bill No.
14 6473 or Substitute House Bill No. 2468 (DNA database). If neither bill is
15 enacted by June 30, 2002, the amount provided in this subsection shall
16 lapse.

17 (j) \$53,000 of the general fund--state appropriation for fiscal year
18 2003 is provided solely for the implementation of Engrossed Substitute
19 Senate Bill No. 6490 (motor vehicle theft). If the bill is not enacted by
20 June 30, 2002, the amount provided in this subsection shall lapse.

21 (k) \$50,000 of the general fund--state appropriation for fiscal year
22 2003 is provided solely for the initial implementation of a medical
23 algorithm practice program within the department's facilities. The program
24 shall be designed to achieve clinical efficacy and costs efficiency in the
25 utilization of psychiatric drugs.

26 (3) COMMUNITY SUPERVISION

| | | |
|----|--|------------------------------|
| 27 | General Fund--State Appropriation (FY 2002) . . . \$ | ((61,427,000)) |
| 28 | | <u>68,097,000</u> |
| 29 | General Fund--State Appropriation (FY 2003) . . . \$ | ((62,934,000)) |
| 30 | | <u>70,542,000</u> |
| 31 | General Fund--Federal Appropriation \$ | ((1,125,000)) |
| 32 | | <u>870,000</u> |
| 33 | Public Safety and Education | |
| 34 | Account--State Appropriation \$ | ((15,841,000)) |
| 35 | | <u>15,358,000</u> |
| 36 | TOTAL APPROPRIATION \$ | ((141,327,000)) |
| 37 | | <u>154,867,000</u> |

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

3 (a) The department of corrections shall accomplish personnel reductions
4 with the least possible impact on correctional custody staff, community
5 custody staff, and correctional industries. For the purposes of this
6 subsection, correctional custody staff means employees responsible for the
7 direct supervision of offenders.

8 (b) \$75,000 of the general fund--state appropriation for fiscal year
9 2002 and \$75,000 of the general fund--state appropriation for fiscal year
10 2003 are provided solely for the department of corrections to contract with
11 the institute for public policy for responsibilities assigned in chapter
12 196, Laws of 1999 (offender accountability act) and sections 7 through 12
13 of chapter 197, Laws of 1999 (drug offender sentencing).

14 (c) \$16,000 of the general fund--state appropriation for fiscal year
15 2002 and (~~(\$34,000)~~) \$28,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided solely to increase payment rates for
17 contracted chemical dependency providers.

18 (d) \$30,000 of the general fund--state appropriation for fiscal year
19 2002 and \$30,000 of the general fund--state appropriation for fiscal year
20 2003 are provided solely for the implementation of Substitute Senate Bill
21 No. 5118 (interstate compact for adult offender supervision). If the bill
22 is not enacted by June 30, 2001, the amounts provided in this subsection
23 shall lapse.

24 (4) CORRECTIONAL INDUSTRIES

| | | |
|----|--|-----------|
| 25 | General Fund--State Appropriation (FY 2002) . . . \$ | 631,000 |
| 26 | General Fund--State Appropriation (FY 2003) . . . \$ | 629,000 |
| 27 | TOTAL APPROPRIATION \$ | 1,260,000 |

28 The appropriations in this subsection are subject to the following
29 conditions and limitations: \$110,000 of the general fund--state
30 appropriation for fiscal year 2002 and \$110,000 of the general fund--state
31 appropriation for fiscal year 2003 are provided solely for transfer to the
32 jail industries board. The board shall use the amounts provided only for
33 administrative expenses, equipment purchases, and technical assistance
34 associated with advising cities and counties in developing, promoting, and
35 implementing consistent, safe, and efficient offender work programs.

36 (5) INTERAGENCY PAYMENTS

| | | |
|----|--|------------|
| 37 | General Fund--State Appropriation (FY 2002) . . . \$ | 18,568,000 |
| 38 | General Fund--State Appropriation (FY 2003) . . . \$ | 18,569,000 |

1 TOTAL APPROPRIATION \$ 37,137,000

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

4 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

| | | |
|----|--|-----------------------------|
| 5 | General Fund--State Appropriation (FY 2002) \$ | ((1,693,000)) |
| 6 | | <u>1,652,000</u> |
| 7 | General Fund--State Appropriation (FY 2003) \$ | ((1,628,000)) |
| 8 | | <u>1,588,000</u> |
| 9 | General Fund--Federal Appropriation \$ | ((11,140,000)) |
| 10 | | <u>12,643,000</u> |
| 11 | General Fund--Private/Local Appropriation \$ | 80,000 |
| 12 | TOTAL APPROPRIATION \$ | ((14,541,000)) |
| 13 | | <u>15,963,000</u> |

14 The appropriations in this section are subject to the following
15 conditions and limitations: \$50,000 of the general fund--state
16 appropriation for fiscal year 2002 and \$50,000 of the general fund--state
17 appropriation for fiscal year 2003 are provided solely to increase state
18 assistance for a comprehensive program of training and support services for
19 persons who are both deaf and blind.

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

22 **FOR THE SENTENCING GUIDELINES COMMISSION**

| | | |
|----|--|----------------------------|
| 23 | General Fund--State Appropriation (FY 2002) \$ | 936,000 |
| 24 | General Fund--State Appropriation (FY 2003) \$ | ((857,000)) |
| 25 | | <u>832,000</u> |
| 26 | TOTAL APPROPRIATION \$ | ((1,793,000)) |
| 27 | | <u>1,768,000</u> |

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

30 \$78,000 of the general fund--state appropriation for fiscal year 2002
31 is provided solely for the sentencing guidelines commission to conduct a
32 comprehensive review and evaluation of state sentencing policy. The review
33 and evaluation shall include an analysis of whether current sentencing
34 ranges and standards, as well as existing mandatory minimum sentences,
35 existing sentence enhancements, and special sentencing alternatives, are
36 consistent with the purposes of the sentencing reform act as set out in RCW

1 9.94A.010, including the intent of the legislature to emphasize confinement
2 for the violent offender and alternatives to confinement for the nonviolent
3 offender. The review and evaluation shall also examine whether current
4 sentencing ranges and standards are consistent with existing corrections
5 capacity.

6 The review and evaluation shall consider studies on the cost-
7 effectiveness of sentencing alternatives, as well as the fiscal impact of
8 sentencing policies on state and local government. In conducting the review
9 and evaluation, the commission shall consult with the superior court judges'
10 association, the Washington association of prosecuting attorneys, the
11 Washington defenders' association, the Washington association of criminal
12 defense lawyers, the Washington association of sheriffs and police chiefs,
13 organizations representing crime victims, and other organizations and
14 individuals with expertise and interest in sentencing policy.

15 Not later than December 1, 2001, the commission shall present to the
16 appropriate standing committees of the legislature the report of its
17 comprehensive review and evaluation, together with any recommendations for
18 revisions and modifications to state sentencing policy, including sentencing
19 ranges and standards, mandatory minimum sentences, and sentence
20 enhancements. If implementation of the recommendations of the commission
21 would result in exceeding the capacity of correctional facilities, the
22 commission shall at the same time present to the legislature a list of
23 revised standard sentence ranges which are consistent with currently
24 authorized rated and operational corrections capacity, and consistent with
25 the purposes of the sentencing reform act.

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

28 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

| | | |
|---|----|----------------------------|
| 29 General Fund--Federal Appropriation | \$ | 180,628,000 |
| 30 General Fund--Private/Local Appropriation | \$ | 30,119,000 |
| 31 Unemployment Compensation Administration Account-- | | |
| 32 Federal Appropriation | \$ | ((181,677,000)) |
| 33 | | <u>194,167,000</u> |
| 34 Administrative Contingency Account--State | | |
| 35 Appropriation | \$ | 13,914,000 |
| 36 Employment Service Administrative Account--State | | |
| 37 Appropriation | \$ | 20,001,000 |

1 TOTAL APPROPRIATION \$ ((~~426,339,000~~))
2 438,829,000

3 (End of part)

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PART III
NATURAL RESOURCES

Sec. 301. 2001 2nd sp.s. c 7 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

| | | |
|---|----|--------------------------|
| General Fund--State Appropriation (FY 2002) | \$ | 398,000 |
| General Fund--State Appropriation (FY 2003) | \$ | ((391,000)) |
| | | <u>379,000</u> |
| General Fund--Private/Local Appropriation | \$ | 749,000 |
| TOTAL APPROPRIATION | \$ | ((1,538,000)) |
| | | <u>1,526,000</u> |

The appropriations in this section are subject to the following conditions and limitations: \$40,000 of the general fund--state appropriation for fiscal year 2002 and \$40,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to implement the scenic area management plan for Klickitat county. If Klickitat county adopts an ordinance to implement the scenic area management plan in accordance with the national scenic area act, P.L. 99-663, then the amounts provided in this subsection shall be provided as a grant to Klickitat county to implement its responsibilities under the act.

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

FOR THE DEPARTMENT OF ECOLOGY

| | | |
|---|----|---------------------------|
| General Fund--State Appropriation (FY 2002) | \$ | ((46,633,000)) |
| | | <u>39,373,000</u> |
| General Fund--State Appropriation (FY 2003) | \$ | ((44,481,000)) |
| | | <u>34,163,000</u> |
| General Fund--Federal Appropriation | \$ | 56,805,000 |
| General Fund--Private/Local Appropriation | \$ | 4,351,000 |
| Special Grass Seed Burning Research Account-- | | |
| State Appropriation | \$ | 14,000 |
| Reclamation Revolving Account--State | | |
| Appropriation | \$ | ((1,810,000)) |
| | | <u>1,935,000</u> |

| | | | |
|----|---|----|---------------------------|
| 1 | Flood Control Assistance Account-- | | |
| 2 | State Appropriation | \$ | 4,098,000 |
| 3 | State Emergency Water Projects Revolving Account-- | | |
| 4 | State Appropriation | \$ | 878,000 |
| 5 | Waste Reduction/Recycling/Litter Control Account-- | | |
| 6 | State Appropriation | \$ | ((13,537,000)) |
| 7 | | | <u>13,850,000</u> |
| 8 | State Drought Preparedness Account--State | | |
| 9 | Appropriation | \$ | ((5,325,000)) |
| 10 | | | <u>2,575,000</u> |
| 11 | <u>Salmon Recovery Account--State Appropriation</u> | \$ | <u>250,000</u> |
| 12 | State and Local Improvements Revolving Account | | |
| 13 | (Water Supply Facilities)--State | | |
| 14 | Appropriation | \$ | 587,000 |
| 15 | Water Quality Account--State Appropriation \$ | | ((12,481,000)) |
| 16 | | | <u>22,375,000</u> |
| 17 | Wood Stove Education and Enforcement Account-- | | |
| 18 | State Appropriation | \$ | 353,000 |
| 19 | Worker and Community Right-to-Know Account-- | | |
| 20 | State Appropriation | \$ | ((3,288,000)) |
| 21 | | | <u>3,235,000</u> |
| 22 | State Toxics Control Account--State | | |
| 23 | Appropriation | \$ | ((68,931,000)) |
| 24 | | | <u>69,496,000</u> |
| 25 | State Toxics Control Account--Private/Local | | |
| 26 | Appropriation | \$ | 350,000 |
| 27 | Local Toxics Control Account--State | | |
| 28 | Appropriation | \$ | ((4,751,000)) |
| 29 | | | <u>4,674,000</u> |
| 30 | Water Quality Permit Account--State | | |
| 31 | Appropriation | \$ | ((23,827,000)) |
| 32 | | | <u>23,848,000</u> |
| 33 | Underground Storage Tank Account--State | | |
| 34 | Appropriation | \$ | 2,682,000 |
| 35 | Environmental Excellence Account--State | | |
| 36 | Appropriation | \$ | 504,000 |
| 37 | Biosolids Permit Account--State Appropriation | \$ | ((589,000)) |
| 38 | | | <u>764,000</u> |
| 39 | Hazardous Waste Assistance Account--State | | |

| | | | |
|----|---|----|------------------------------|
| 1 | Appropriation | \$ | ((4,308,000)) |
| 2 | | | <u>4,254,000</u> |
| 3 | Air Pollution Control Account--State | | |
| 4 | Appropriation | \$ | ((1,066,000)) |
| 5 | | | <u>1,366,000</u> |
| 6 | Oil Spill Prevention Account--State | | |
| 7 | Appropriation | \$ | ((7,921,000)) |
| 8 | | | <u>7,758,000</u> |
| 9 | Air Operating Permit Account--State | | |
| 10 | Appropriation | \$ | ((3,608,000)) |
| 11 | | | <u>3,554,000</u> |
| 12 | Freshwater Aquatic Weeds Account--State | | |
| 13 | Appropriation | \$ | 1,898,000 |
| 14 | Oil Spill Response Account--State | | |
| 15 | Appropriation | \$ | 7,078,000 |
| 16 | Metals Mining Account--State Appropriation | \$ | 5,000 |
| 17 | Water Pollution Control Revolving Account-- | | |
| 18 | State Appropriation | \$ | ((467,000)) |
| 19 | | | <u>564,000</u> |
| 20 | Water Pollution Control Revolving Account-- | | |
| 21 | Federal Appropriation | \$ | ((2,316,000)) |
| 22 | | | <u>2,802,000</u> |
| 23 | TOTAL APPROPRIATION | \$ | ((324,942,000)) |
| 24 | | | <u>316,439,000</u> |

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

27 (1) \$3,874,000 of the general fund--state appropriation for fiscal year
28 2002, \$3,874,000 of the general fund--state appropriation for fiscal year
29 2003, \$394,000 of the general fund--federal appropriation, \$2,070,000 of the
30 oil spill prevention account--state appropriation, and \$3,686,000 of the
31 water quality permit account--state appropriation are provided solely for
32 the implementation of the Puget Sound work plan and agency action items DOE-
33 01, DOE-02, DOE-03, DOE-05, DOE-06, DOE-07, DOE-08, and DOE-09.

34 (2) \$500,000 of the state toxics control account appropriation is
35 provided for an assessment of the financial assurance requirements of
36 hazardous waste management facilities. By September 30, 2002, the
37 department shall provide to the governor and appropriate committees of the
38 legislature a report that: (a) Evaluates current statutes and regulations
39 governing hazardous waste management facilities; (b) analyzes and makes

1 recommendations for improving financial assurance regulatory control; and
2 (c) makes recommendations for funding financial assurance regulatory control
3 of hazardous waste management facilities.

4 (3) (~~(\$250,000 of the general fund--state appropriation for fiscal year~~
5 ~~2002, \$250,000 of the general fund--state appropriation for fiscal year~~
6 ~~2003, \$564,000)) \$814,000 of the state drought preparedness account--state
7 appropriation, (~~and~~) \$549,000 of the water quality account--state
8 appropriation, and \$250,000 of the salmon recovery account--state
9 appropriation are provided solely for enhanced streamflow monitoring in
10 critical salmon recovery basins. \$640,000 of this amount is provided solely
11 to implement the Puget Sound work plan and agency action item DOE-01.~~

12 (4) \$1,000,000 of the state toxics control account appropriation in
13 this section is provided solely for the department to work in cooperation
14 with local jurisdictions to address emerging storm water management
15 requirements. This work shall include developing a storm water manual for
16 eastern Washington, technical assistance to local jurisdictions, and
17 increased implementation of the department's existing storm water program.
18 \$200,000 of this amount is provided solely for implementation of the Puget
19 Sound work plan and agency action item DOE-06.

20 (5) \$383,000 of the general fund--state appropriation for fiscal year
21 2002 and \$383,000 of the general fund--state appropriation for fiscal year
22 2003 are provided solely for water conservation plan review, technical
23 assistance, and project review for water conservation and reuse projects.
24 By December 1, 2003, the department in cooperation with the department of
25 health shall report to the governor and appropriate committees of the
26 legislature on the activities and achievements related to water conservation
27 and reuse during the past two biennia. The report shall include an overview
28 of technical assistance provided, reuse project development activities, and
29 water conservation achievements.

30 (6) \$3,424,000 of the state toxics control account appropriation is
31 provided solely for methamphetamine lab clean up activities.

32 (7) \$800,000 of the state toxics control account appropriation is
33 provided solely to implement the department's persistent, bioaccumulative
34 toxic chemical strategy. \$54,000 of this amount shall be allocated to the
35 department of health to assist with this effort.

36 (8) Up to \$11,365,000 of the state toxics control account appropriation
37 is provided for the remediation of contaminated sites. Of this amount, up
38 to \$2,000,000 may be used to pay existing site remediation liabilities owed
39 to the federal environmental protection agency for clean-up work that has

1 been completed. The department shall carefully monitor actual revenue
2 collections into the state toxics control account, and is authorized to
3 limit actual expenditures of the appropriation provided in this section
4 consistent with available revenue.

5 (9) \$200,000 of the state toxics control account appropriation is
6 provided to assess the effectiveness of the state's current toxic pollution
7 prevention and dangerous waste programs and policies. The department shall
8 work with affected stakeholder groups and the public to evaluate the
9 performance of existing programs, and identify feasible methods of reducing
10 the generation of these wastes. The department shall report its findings
11 to the governor and the appropriate committees of the legislature by
12 September 30, 2002.

13 (10) \$1,200,000 of the state toxics control account appropriation is
14 provided solely for the department, in conjunction with affected local
15 governments, to address emergent areawide soil contamination problems. The
16 department's efforts will include public involvement processes and
17 completing assessments of the geographical extent of toxic contamination
18 including highly contaminated areas.

19 (11) \$170,000 of the oil spill prevention account appropriation is
20 provided solely for implementation of the Puget Sound work plan action item
21 UW-02 through a contract with the University of Washington's sea grant
22 program to develop an educational program targeted to small spills from
23 commercial fishing vessels, ferries, cruise ships, ports, and marinas.

24 (12) \$1,500,000 of the general fund--state appropriation for fiscal
25 year 2002, \$1,500,000 of the general fund--state appropriation for fiscal
26 year 2003, and \$3,000,000 of the water quality account appropriation are
27 provided solely to implement chapter 237, Laws of 2001 (Engrossed Substitute
28 House Bill No. 1832, water resources management) and to support the
29 processing of applications for changes and transfers of existing water
30 rights.

31 (13) (~~(\$4,500,000 of the general fund--state appropriation for fiscal~~
32 ~~year 2002 and \$4,500,000 of the general fund--state appropriation for fiscal~~
33 ~~year 2003 are)) \$9,000,000 of the water quality account--state appropriation
34 is provided solely for grants to local governments to conduct watershed
35 planning and technical assistance. At least \$7,000,000 shall be distributed
36 as grants.~~

37 (14) \$3,114,000 of the water quality account appropriation is provided
38 solely to implement Engrossed Substitute House Bill No. 1832 (water
39 resources management). Of this amount: (a) \$2,100,000 is provided for

1 grants to local governments for targeted watershed assessments consistent
2 with Engrossed Substitute House Bill No. 1832; and (b) the remainder of the
3 funding is provided solely for development of a state environmental policy
4 act template to streamline environmental review, creation of a blue ribbon
5 panel to develop long-term watershed planning implementation funding
6 options, and technical assistance.

7 ~~((+18+))~~ (15) \$200,000 of the water quality account appropriation is
8 provided solely to provide coordination and assistance to groups established
9 for the purpose of protecting, enhancing, and restoring the biological,
10 chemical, and physical processes of watersheds. These groups may include
11 those involved in coordinated resource management, regional fisheries
12 enhancement groups, conservation districts, watershed councils, and private
13 nonprofit organizations incorporated under Title 24 RCW.

14 ~~((+19+))~~ (16) \$325,000 of the state drought preparedness account--state
15 appropriation is provided solely for an environmental impact statement of
16 the Pine Hollow reservoir project to be conducted in conjunction with the
17 local irrigation district.

18 ~~((+20-\$1,700,000))~~ (17) \$1,352,000 of the general fund--state
19 appropriation for fiscal year 2002 and \$280,000 of the oil spill prevention
20 account appropriation are provided solely for oil spill prevention measures
21 in Puget Sound. Of these amounts:

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

35 (b) \$100,000 of the oil spill prevention account appropriation is
36 provided solely for the department to conduct a vessel transponder
37 feasibility study for Washington waters and undertake a trial vessel
38 tracking program using transponders. In conducting the feasibility study
39 and trial program, the department of ecology shall consult with state

1 pilotage authorities, the maritime industry and the United States coast
2 guard; and

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

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

7 ~~((+21))~~ (18) \$600,000 of the water quality account--state
8 appropriation is provided solely for setting instream flows in six basins
9 not currently planning under the watershed planning act.

10 (19) The departments of fish and wildlife, natural resources, and
11 ecology shall jointly evaluate the feasibility of aligning regional
12 operations and boundaries. The evaluation shall consider, but not be
13 limited to the following elements: Colocation of regional and other field
14 offices, administrative efficiencies, geographic boundaries that conform to
15 water resource inventory areas, and the level of decision-making authorized
16 for regional and field operations. Jointly, the departments shall provide
17 a report to the legislature and the office of financial management by
18 November 1, 2002, on the evaluation. The report shall include
19 recommendations for changes to regional operations alignment and
20 consolidation.

21 (20) \$200,000 of the water quality account appropriation is provided
22 solely for activities associated with development of the Willapa River total
23 maximum daily load (TMDL). The activities shall include but are not limited
24 to: (a) A contract with Pacific county to complete the oxygen/bacteria and
25 temperature model for the TMDL, conduct a technical analysis of local
26 options for waste load allocations, and develop the first draft of the waste
27 load allocation plan; and (b) a contract for facilitation services for a
28 public process for the TMDL, assist in reaching consensus between parties
29 involved in the technical work, help ensure that there is an accurate public
30 record, and provide a forum for the waste load allocation.

31 (21) \$175,000 of the biosolids permit account is provided solely to
32 develop a statewide septage strategy. The department shall work with
33 affected stakeholders to address septage permit requirements, changes to
34 existing rules, clarification of state and local responsibilities, and fee
35 structure changes that are necessary to support the program in future
36 biennia. The department shall report its findings to the governor and
37 appropriate committees of the legislature by June 30, 2003.

1 (22) \$364,000 of the general fund--state appropriation for fiscal year
2 2003 is provided solely for the department to contract with the governor's
3 water policy advisor through fiscal year 2003 and the following activities:

4 (a)(i) A joint task force is created to study judicial and
5 administrative alternatives for resolving water disputes. The task force
6 is organized and led by the office of the attorney general. In addition to
7 the office of the attorney general, members of the task force include:

8 (A) Representatives of the legislature, including one member from each
9 caucus appointed by the president of the senate and the speaker of the
10 house;

11 (B) Representatives of the superior courts of Washington state
12 appointed by the president of the superior court judges association, and
13 shall include two judicial officers of the superior court from eastern
14 Washington and two judicial officers of the superior court from western
15 Washington;

16 (C) A representative of the Washington state court of appeals appointed
17 by the chief justice of the state supreme court;

18 (D) A representative of the environmental hearings office; and

19 (E) A representative of the department of ecology.

20 (ii) The objectives of the task force are to:

21 (A) Examine and characterize the types of water disputes to be
22 resolved;

23 (B) Examine the approach of other states to water dispute resolutio

24 (C) Recommend one or more methods to resolve water disputes, including,
25 but not limited to, an administrative resolution process; a judicial
26 resolution process such as water court; or any combination thereof; and

27 (D) Recommend an implementation plan that will address:

28 (I) A specific administrative structure for each method used to resolve
29 water disputes;

30 (II) The cost to implement the plan; and

31 (III) The changes to statutes and administrative rules necessary to
32 implement the plan.

33 (iii) The office of the attorney general shall work with the staff of
34 the standing committees of the legislature with jurisdiction over water
35 resources to research and compile information relevant to the mission of the
36 task force by December 31, 2002.

37 (iv) The task force shall submit its report to the appropriate
38 committees of the legislature no later than December 30, 2003.

1 (b) The department of ecology and the attorney general's office will
2 conduct a study to identify possible ways to streamline the water right
3 general adjudication procedures. By December 1, 2002, the agencies will
4 report on their findings and recommendations to the legislature.

5 (c)(i) The legislature finds that it is in the public interest to
6 investigate the feasibility of conducting negotiations with other states and
7 Canada regarding use of water bodies they share with the state of
8 Washington.

9 (ii) The governor, or the governor's designee, shall consult with the
10 states that share water bodies with the state of Washington, with Canada,
11 and with other states that have conducted similar negotiations, regarding
12 issues and strategies in those negotiations and shall report to the standing
13 committees of the legislature having jurisdiction over water resources by
14 January 1, 2003.

15 (iii) In conducting the consultations under this subsection (c), the
16 governor shall give priority consideration to the interstate issues
17 affecting the Spokane-Rathdrum Prairie aquifer.

18 (d) By October 1, 2002, the department of ecology shall provide to the
19 appropriate standing committees of the legislature, a plan, schedule, and
20 budget for improving the administration of water right records held by the
21 department of ecology. The department of ecology shall work with the
22 department of revenue and with county auditors in developing recommendations
23 for improving the administration of water rights ownership information and
24 integrating this information with real property ownership records. The
25 department of ecology shall evaluate the need for grants to counties to
26 assist with recording and information management needs related to water
27 rights ownership and title.

28 (23) \$690,000 of the water quality account appropriation is provided
29 solely for development of regional water initiatives. Of this amount,
30 \$450,000 is provided for the Columbia River regional initiative, and
31 \$240,000 is provided for the Central Puget Sound regional initiative.

32 (24) For applicants that meet eligibility requirements, the department
33 of ecology shall consider individual stormdrain treatment systems to be
34 classified as "activity" projects and eligible for grant funding provided
35 under section 319 the federal Clean Water Act. These projects shall be
36 prioritized for funding along with other grant proposals. Receipt of
37 funding shall be based on this prioritization.

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

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

| | | |
|----|--|------------------------------|
| 4 | General Fund--State Appropriation (FY 2002) . . . \$ | ((32,298,000)) |
| 5 | | <u>32,198,000</u> |
| 6 | General Fund--State Appropriation (FY 2003) . . . \$ | ((32,866,000)) |
| 7 | | <u>29,802,000</u> |
| 8 | General Fund--Federal Appropriation \$ | 2,690,000 |
| 9 | General Fund--Private/Local Appropriation \$ | 60,000 |
| 10 | Winter Recreation Program Account--State | |
| 11 | Appropriation \$ | ((787,000)) |
| 12 | | <u>1,087,000</u> |
| 13 | Off Road Vehicle Account--State Appropriation . \$ | 274,000 |
| 14 | Snowmobile Account--State Appropriation \$ | ((4,682,000)) |
| 15 | | <u>4,612,000</u> |
| 16 | Aquatic Lands Enhancement Account--State | |
| 17 | Appropriation \$ | 337,000 |
| 18 | Public Safety and Education Account--State | |
| 19 | Appropriation \$ | ((48,000)) |
| 20 | | <u>47,000</u> |
| 21 | <u>Salmon Recovery Account--State Appropriation . \$</u> | <u>200,000</u> |
| 22 | Water Trail Program Account--State | |
| 23 | Appropriation \$ | 24,000 |
| 24 | Parks Renewal and Stewardship Account-- | |
| 25 | State Appropriation \$ | ((26,420,000)) |
| 26 | | <u>26,409,000</u> |
| 27 | TOTAL APPROPRIATION \$ | ((100,486,000)) |
| 28 | | <u>97,740,000</u> |

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

31 (1) Fees approved by the state parks and recreation commission in the
32 2001-03 biennium are authorized to exceed the fiscal growth factor under RCW
33 43.135.055.

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

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

6 ~~---(4))~~ \$79,000 of the general fund--state appropriation for fiscal year
7 2002, \$79,000 of the general fund--state appropriation for fiscal year 2003,
8 and \$8,000 of the winter recreation program account--state appropriation are
9 provided solely for a grant for the operation of the Northwest avalanche
10 center.

11 ~~((+5))~~ (4) \$432,000 of the parks renewal and stewardship account
12 appropriation is provided for the operation of the Silver Lake visitor
13 center. If a long-term management agreement is not reached with the U.S.
14 forest service by September 30, 2001, the amount provided in this subsection
15 shall lapse.

16 ~~((+6))~~ (5) \$189,000 of the aquatic lands enhancement account
17 appropriation is provided solely for the implementation of the Puget Sound
18 work plan and agency action item P+RC-02.

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

21 **FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

| | | |
|----|--|------------------------|
| 22 | General Fund--State Appropriation (FY 2002) . . . \$ | ((393,000)) |
| 23 | | <u>143,000</u> |
| 24 | General Fund--State Appropriation (FY 2003) . . . \$ | ((395,000)) |
| 25 | | <u>194,000</u> |
| 26 | General Fund--Federal Appropriation \$ | 8,358,000 |
| 27 | Firearms Range Account--State Appropriation . . . \$ | 13,000 |
| 28 | <u>Salmon Recovery Account--State Appropriation . . . \$</u> | <u>500,000</u> |
| 29 | Recreation Resources Account--State | |
| 30 | Appropriation \$ | 2,584,000 |
| 31 | Recreation Resources Account--Federal | |
| 32 | Appropriation \$ | 481,000 |
| 33 | NOVA Program Account--State Appropriation \$ | 611,000 |
| 34 | Water Quality Account--State Appropriation \$ | 700,000 |
| 35 | State Toxics Control Account--State | |
| 36 | Appropriation \$ | 500,000 |
| 37 | Aquatic Lands Enhancement Account--State | |
| 38 | Appropriation \$ | 200,000 |

1 TOTAL APPROPRIATION \$ ((14,235,000))
2 14,284,000

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

5 (1) (~~(\$250,000 of the general fund--state appropriation for fiscal year~~
6 ~~2002, \$250,000 of the general fund--state appropriation for fiscal year~~
7 ~~2003)~~) \$500,000 of the salmon recovery account appropriation, \$500,000 of
8 the water quality account appropriation, and \$500,000 of the state toxics
9 control account appropriation are provided solely to implement chapter 298,
10 Laws of 2001, Substitute Senate Bill No. 5637 (watershed health monitoring
11 and assessment) and for the development of a comprehensive salmon recovery
12 and watershed health monitoring strategy and action plan. The strategy and
13 action plan shall address the monitoring recommendations of the independent
14 science panel in its report, *Recommendations for Monitoring Salmonid*
15 *Recovery in Washington State* (December 2000), and of the joint legislative
16 audit and review committee in its report *Investing in the Environment:*
17 *Environmental Quality Grant and Loan Programs Performance Audit* (January
18 2001). The action plan shall include an assessment of state agency
19 operations related to monitoring, evaluation, and adaptive management of
20 salmon recovery and watershed health; any operational or statutory changes
21 necessary to implement the strategy and action plan; and funding
22 recommendations.

23 (2) \$8,000,000 of the general fund--federal appropriation is provided
24 solely for implementation of the forest and fish agreement rules. These
25 funds will be passed through to the department of natural resources and the
26 department of fish and wildlife.

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

30 (4) \$200,000 of the aquatic lands enhancement account--state
31 appropriation is provided solely to develop and implement a conservation
32 initiative for Maury Island. The interagency committee for outdoor
33 recreation shall contract with the Cascade Land Conservancy to develop and
34 implement the initiative and to provide the following services: (a) Land
35 and resource appraisal; (b) development of a plan of finance for acquisition
36 of land or interests in land; and (c) conduct negotiations among purchasers
37 and willing sellers.

1 (5) \$49,000 of the general fund--state appropriation for fiscal year
2 2003 is provided solely to the interagency committee for outdoor recreation
3 to convene and facilitate a biodiversity conservation committee to develop
4 recommendations for a state biodiversity program. Up to \$45,000 of this
5 appropriation may be granted, on a competitive basis, to conduct a review
6 of biodiversity programs and develop recommendations. The grant agreement
7 must be conditioned to require that at least an amount of funding equal to
8 the state grant be applied to the project from nonstate sources. The
9 grantee must provide a final report describing its review and
10 recommendations to the governor and the appropriate standing committees of
11 the senate and house of representatives by October 1, 2003.

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

14 **FOR THE ENVIRONMENTAL HEARINGS OFFICE**

| | | | |
|----|---|----|--------------------------|
| 15 | General Fund--State Appropriation (FY 2002) | \$ | 846,000 |
| 16 | General Fund--State Appropriation (FY 2003) | \$ | ((847,000)) |
| 17 | | | <u>822,000</u> |
| 18 | TOTAL APPROPRIATION | \$ | ((1,693,000)) |
| 19 | | | <u>1,668,000</u> |

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

22 **FOR THE CONSERVATION COMMISSION**

| | | | |
|----|--|--------------------------|--------------------------|
| 23 | General Fund--State Appropriation (FY 2002) . . . \$ | ((2,207,000)) | |
| 24 | | <u>2,141,000</u> | |
| 25 | General Fund--State Appropriation (FY 2003) . . . \$ | ((2,196,000)) | |
| 26 | | <u>2,131,000</u> | |
| 27 | Water Quality Account--State Appropriation \$ | ((3,739,000)) | |
| 28 | | <u>2,098,000</u> | |
| 29 | TOTAL APPROPRIATION | \$ | ((8,142,000)) |
| 30 | | | <u>6,370,000</u> |

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

33 (1) \$500,000 of the water quality account--state appropriation is
34 provided solely for the agriculture, fish, and water negotiations to develop
35 best management practices that will protect and recover salmon. The

1 commission shall make grants to allow interest groups to participate in the
2 negotiations.

3 (2) (~~(\$1,601,000 of the water quality account--state appropriation is~~
4 ~~provided solely for the completion of limiting factors analysis for~~
5 ~~watersheds affected by listings of salmon and bull trout under the federal~~
6 ~~endangered species act.~~

7 ~~---(3))~~ \$247,000 of the general fund--state appropriation for fiscal year
8 2002 and \$247,000 of the general fund--state appropriation for fiscal year
9 2003 are provided solely for the implementation of the Puget Sound work plan
10 and agency action item CC-01.

11 ((~~4~~)) (3) By March 1, 2002, the conservation reserve enhancement
12 program contract with the federal farm service agency shall be proposed for
13 amendment to allow funding of flexible riparian buffer standards consistent
14 with: (a) The recommendations of the state's agriculture/fish/water
15 negotiation process; or (b) ordinances adopted through municipal regulations
16 in compliance with the state growth management act requirement to protect
17 critical areas. These ordinances shall be scientifically defensible and
18 include programs for monitoring and adaptive management.

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

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

| | | |
|----|--|-------------------|
| 22 | General Fund--State Appropriation (FY 2002) . . . \$ | ((51,600,000)) |
| 23 | | <u>47,691,000</u> |
| 24 | General Fund--State Appropriation (FY 2003) . . . \$ | ((50,762,000)) |
| 25 | | <u>42,403,000</u> |
| 26 | General Fund--Federal Appropriation \$ | ((37,366,000)) |
| 27 | | <u>37,591,000</u> |
| 28 | General Fund--Private/Local Appropriation \$ | 24,365,000 |
| 29 | Off Road Vehicle Account--State | |
| 30 | Appropriation \$ | 475,000 |
| 31 | Aquatic Lands Enhancement Account--State | |
| 32 | Appropriation \$ | ((6,094,000)) |
| 33 | | <u>5,037,000</u> |
| 34 | Public Safety and Education Account--State | |
| 35 | Appropriation \$ | ((586,000)) |
| 36 | | <u>570,000</u> |
| 37 | Recreational Fisheries Enhancement Account-- | |
| 38 | State Appropriation \$ | ((3,032,000)) |

| | | |
|----|--|------------------------------|
| 1 | | <u>3,332,000</u> |
| 2 | <u>Salmon Recovery Account--State Appropriation</u> . . . \$ | <u>1,612,000</u> |
| 3 | Warm Water Game Fish Account--State | |
| 4 | Appropriation \$ | ((2,567,000)) |
| 5 | | <u>2,518,000</u> |
| 6 | Eastern Washington Pheasant Enhancement Account-- | |
| 7 | State Appropriation \$ | 750,000 |
| 8 | Wildlife Account--State Appropriation . . . \$ | ((48,518,000)) |
| 9 | | <u>49,622,000</u> |
| 10 | Wildlife Account--Federal Appropriation \$ | 38,182,000 |
| 11 | Wildlife Account--Private/Local | |
| 12 | Appropriation \$ | 15,133,000 |
| 13 | Game Special Wildlife Account--State | |
| 14 | Appropriation \$ | 1,941,000 |
| 15 | Game Special Wildlife Account--Federal | |
| 16 | Appropriation \$ | 9,591,000 |
| 17 | Game Special Wildlife Account--Private/Local | |
| 18 | Appropriation \$ | 350,000 |
| 19 | ((Water Quality Account--State Appropriation . . . \$ | 1,000,000)) |
| 20 | Environmental Excellence Account--State | |
| 21 | Appropriation \$ | 15,000 |
| 22 | Regional Fisheries Salmonid Recovery Account-- | |
| 23 | Federal Appropriation \$ | 1,750,000 |
| 24 | Oil Spill Administration Account--State | |
| 25 | Appropriation \$ | 963,000 |
| 26 | Oyster Reserve Land Account--State | |
| 27 | Appropriation \$ | 135,000 |
| 28 | TOTAL APPROPRIATION \$ | ((295,175,000)) |
| 29 | | <u>284,026,000</u> |

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

32 (1) \$1,682,000 of the general fund--state appropriation for fiscal year
33 2002 and ((~~\$1,682,000~~)) \$1,395,000 of the general fund--state appropriation
34 for fiscal year 2003 are provided solely for the implementation of the Puget
35 Sound work plan and agency action items DFW-01 through DFW-07.

36 (2) \$200,000 of the general fund--state appropriation for fiscal year
37 2002 and \$200,000 of the general fund--state appropriation for fiscal year
38 2003 are provided solely for the department to update the salmon and
39 steelhead stock inventory.

1 (3) (~~(\$550,000 of the general fund--state appropriation for fiscal year~~
2 ~~2002 and \$550,000 of the general fund--state appropriation for fiscal year~~
3 ~~2003 are provided solely for salmonid smolt production monitoring.~~
4 ~~—(4))~~) \$250,000 of the general fund--state appropriation for fiscal year
5 2002 and \$250,000 of the general fund--state appropriation for fiscal year
6 2003 are provided solely for the department to implement a hatchery
7 endangered species act response. The response shall include emergency
8 hatchery responses, production, and retrofitting of hatcheries for salmon
9 recovery.

10 (~~(+5))~~) (4) \$600,000 of the general fund--state appropriation for
11 fiscal year 2002 and \$600,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided solely for local salmon recovery technical
13 assistance.

14 (~~(+6)~~) ~~\$1,625,000 of the general fund--state appropriation for fiscal~~
15 ~~year 2002 and \$1,625,000 of the general fund--state appropriation for fiscal~~
16 ~~year 2003 are provided solely to fund grants to lead entities established~~
17 ~~under chapter 77.85 RCW. The department, in consultation with the lead~~
18 ~~entity advisory group and individual lead entities, shall establish an~~
19 ~~application process and evaluation criteria to allocate funds to up to 26~~
20 ~~lead entities to provide core activities identified in chapter 77.85 RCW.~~
21 ~~Grants to individual lead entities may range from \$37,500 to \$150,000 per~~
22 ~~year.~~

23 ~~—(7)~~ ~~\$125,000 of the general fund--state appropriation for fiscal year~~
24 ~~2002 and \$125,000 of the general fund--state appropriation for fiscal year~~
25 ~~2003 are))~~ (5) \$250,000 of the salmon recovery account appropriation is
26 provided solely for a grant to the lower Skykomish River habitat
27 conservation group for the purpose of developing a salmon recovery plan, in
28 coordination with the lead entity established under chapter 77.85 RCW for
29 that area. The salmon recovery plan must be consistent with the regional
30 recovery plans of the Puget Sound shared strategy and criteria developed by
31 the department for the regional salmon recovery planning program.

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

1 ~~——(9))~~ (6) \$91,000 of the warm water game fish account appropriation is
2 provided solely for warm water fish culture at the Rod Meseberg warm water
3 fish production facility.

4 ~~((10) \$300,000)~~ (7) \$200,000 of the general fund--state appropriation
5 for fiscal year 2002 and ~~((300,000))~~ \$200,000 of the general fund--state
6 appropriation for fiscal year 2003 are provided solely to fund ~~((four))~~
7 three cooperative compliance programs, ~~((two))~~ both in Western
8 ~~((Washington))~~ and ~~((two in))~~ Eastern Washington. The cooperative
9 compliance program shall conduct fish screen, fish way, and fish passage
10 barrier assessments and correction plans for landowners seeking cooperative
11 compliance agreements with the department.

12 ~~((11) \$1,300,000 of the general fund--state appropriation for fiscal~~
13 ~~year 2002))~~ (8) \$1,300,000 of the salmon recovery account appropriation and
14 \$5,000,000 of the general fund--federal appropriation are provided solely
15 for economic adjustment assistance to fishermen pursuant to the 1999 Pacific
16 salmon treaty agreement.

17 ~~((12) \$2,000,000 of the aquatic lands enhancement account~~
18 ~~appropriation is provided for cooperative volunteer projects.~~

19 ~~——(13))~~ (9) \$810,000 of the general fund--state appropriation for fiscal
20 year 2002, \$790,000 of the general fund--state appropriation for fiscal year
21 2003, and \$250,000 of the wildlife account--state appropriation are provided
22 solely for enforcement and biological staff to respond and take appropriate
23 action to public complaints regarding bear and cougar.

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

27 ~~——(15))~~ (10) \$75,000 of the general fund--state appropriation for fiscal
28 year 2003 is provided solely to the department to execute an interagency
29 agreement with the joint legislative audit and review committee to complete
30 an independent organizational and operational review of the fish management
31 division of the fish program. This review shall include:

32 (a) Identifying those actual functions carried out by the fish
33 management division, including all expenditures by fund source linked to
34 those functions, and the agency's rationale for its current staffing and
35 expenditure levels;

36 (b) Distinguishing those specific division activities and expenditures
37 that are mandated by court decisions, federal laws or treaties, federal
38 contracts, state laws, and fish and wildlife commission directives, as apart
39 from department discretionary policies;

1 (c) Reviewing the extent to which division activities and related
2 program expenditures contribute to meeting legislative intent, agency goals,
3 and programmatic objectives; and

4 (d) Evaluating how performance in meeting intent, goals, and objectives
5 through program activities is measured, reported, and improved.

6 The committee shall provide a status report on this review to the
7 appropriate legislative policy and fiscal committees by November 1, 2002,
8 and a final report by December 1, 2003.

9 (11) The department shall implement a lands program manager
10 consolidation program. The consolidation program shall target the
11 department's south central region. The savings from this consolidation
12 shall be used by the department for additional maintenance on agency lands
13 within the south central region.

14 ~~((16))~~ (12) The department shall implement a survey of all agency
15 lands to evaluate whether agency lands support the agency's strategic plan
16 and goals. The department shall submit a report to the governor and
17 legislature by September 1, 2002, identifying those lands not conforming
18 with the agency's strategic plan and which should be divested.

19 ~~((17))~~ (13) \$388,000 of the general fund--state appropriation for
20 fiscal year 2002 and \$388,000 of the general fund--state appropriation for
21 fiscal year 2003 are provided solely to implement the forests and fish
22 agreement and includes funding to continue statewide coordination and
23 implementation of the forests and fish rules, integration of portions of the
24 hydraulic code into the forest practices rules to provide permit
25 streamlining, and sharing the responsibility of developing and implementing
26 the required forests and fish agreement monitoring and adaptive management
27 program.

28 ~~((18))~~ (14) \$194,000 of the general fund--state appropriation for
29 fiscal year 2002 and \$195,000 of the general fund--state appropriation for
30 fiscal year 2003 are provided solely for staff to represent the state's fish
31 and wildlife interests in hydroelectric project relicensing processes by the
32 federal energy regulatory commission.

33 ~~((19))~~ (15) \$156,000 of the wildlife account--state appropriation is
34 provided solely for a youth fishing coordinator to develop partnerships with
35 local communities, and to identify, develop, fund, and promote youth fishing
36 events and opportunities. Event coordination and promotion services shall
37 be contracted to a private consultant.

1 ~~((+20))~~ (16) \$135,000 of the oyster reserve land account appropriation
2 is provided solely to implement chapter 273, Laws of 2001, Engrossed Second
3 Substitute House Bill No. 1658 (state oyster reserve lands).

4 ~~((+21))~~ (17) \$43,000 of the general fund--state appropriation for
5 fiscal year 2002 and \$42,000 of the general fund--state appropriation for
6 fiscal year 2003 are provided solely for staffing and operation of the
7 Tennant Lake interpretive center.

8 ~~((+22))~~ (18) \$32,000 of the general fund--state appropriation for
9 fiscal year 2002 and \$33,000 of the general fund--state appropriation for
10 fiscal year 2003 are provided solely to support the activities of the
11 aquatic nuisance species coordination committee to foster state, federal,
12 tribal, and private cooperation on aquatic nuisance species issues. The
13 committee shall strive to prevent the introduction of nonnative aquatic
14 species and to minimize the spread of species that are introduced.

15 ~~((+23))~~ (19) \$25,000 of the wildlife account--state appropriation is
16 provided solely for the WildWatchCam program to provide internet
17 transmission of live views of wildlife.

18 ~~((+24))~~ (20) \$8,000 of the general fund--state appropriation for
19 fiscal year 2002 and \$7,000 of the general fund--state appropriation for
20 fiscal year 2003 are provided solely for the payment of the department's
21 share of approved lake management district assessments. By December 15,
22 2001, the department shall provide the legislature a summary of its
23 activities related to lake management districts as well as recommendations
24 for establishing equitable lake management district assessments.

25 (21) The department shall emphasize enforcement of laws related to
26 protection of fish habitat and the illegal harvest of salmon and steelhead.
27 Within the amount provided for the agency, the department shall provide
28 support to the department of health to enforce state shellfish harvest laws.

29 (22) The departments of fish and wildlife, natural resources, and
30 ecology shall jointly evaluate the feasibility of aligning regional
31 operations and boundaries. The evaluation shall consider, but not be
32 limited to the following elements: Colocation of regional and other field
33 offices, administrative efficiencies, geographic boundaries that conform to
34 water resource inventory areas, and the level of decision-making authorized
35 for regional and field operations. Jointly, the departments shall provide
36 a report to the legislature and the office of financial management by
37 November 1, 2002, on the evaluation. The report shall include
38 recommendations for changes to regional operations alignment and
39 consolidation.

| | | |
|----|---|-------------------------------------|
| 1 | Resources Management Cost Account--State | |
| 2 | Appropriation | \$ ((85,979,000)) |
| 3 | | <u>79,134,000</u> |
| 4 | Surface Mining Reclamation Account--State | |
| 5 | Appropriation | \$ ((2,549,000)) |
| 6 | | <u>2,416,000</u> |
| 7 | Salmon Recovery Account--State | |
| 8 | Appropriation | \$ 625,000 |
| 9 | Water Quality Account--State Appropriation \$ | 2,900,000 |
| 10 | Aquatic Land Dredged Material Disposal Site | |
| 11 | Account--State Appropriation | \$ 1,056,000 |
| 12 | Natural Resource Conservation Areas Stewardship | |
| 13 | Account Appropriation | \$ ((34,000)) |
| 14 | | <u>209,000</u> |
| 15 | <u>State Toxics Account--State Appropriation</u> \$ | <u>1,865,000</u> |
| 16 | Air Pollution Control Account--State | |
| 17 | Appropriation | \$ 629,000 |
| 18 | Metals Mining Account--State Appropriation \$ | 64,000 |
| 19 | Agricultural College Trust Management Account | |
| 20 | Appropriation | \$ 1,790,000 |
| 21 | <u>Derelict Vessel Removal Account--State</u> | |
| 22 | <u>Appropriation</u> | <u>\$ 89,000</u> |
| 23 | TOTAL APPROPRIATION | \$ ((237,248,000)) |
| 24 | | <u>229,541,000</u> |

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

27 (1) \$18,000 of the general fund--state appropriation for fiscal year
28 2002, \$18,000 of the general fund--state appropriation for fiscal year 2003,
29 and \$998,000 of the aquatic lands enhancement account appropriation are
30 provided solely for the implementation of the Puget Sound work plan and
31 agency action items DNR-01, DNR-02, and DNR-04.

32 (2)(a) \$625,000 of the salmon recovery account appropriation,
33 \$1,250,000 of the general fund--state appropriation for fiscal year 2002,
34 \$1,250,000 of the general fund--state appropriation for fiscal year 2003,
35 and \$2,900,000 of the water quality account--state appropriation are
36 provided solely for implementation of chapter 4, Laws of 1999 sp. sess.
37 (forest practices and salmon recovery).

38 (b) \$250,000 of the salmon recovery account appropriation is provided
39 solely for and shall be expended to develop a small forest landowner data

1 base in ten counties. \$150,000 of the amount in this subsection shall be
2 used to purchase the data. \$100,000 of the amount in this subsection shall
3 purchase contracted analysis of the data.

4 (3) \$2,000,000 of the forest development account appropriation is
5 provided solely for road decommissioning, maintenance, and repair in the
6 Lake Whatcom watershed.

7 (4) \$543,000 of the forest fire protection assessment account
8 appropriation, \$22,000 of the forest development account appropriation, and
9 \$76,000 of the resource management cost account appropriation are provided
10 solely to implement chapter 279, Laws of 2001, Substitute House Bill No.
11 2104, (modifying forest fire protection assessments).

12 (5) \$895,000 of the general fund--state appropriation for fiscal year
13 2002 (~~and \$895,000 of the general fund--state appropriation for fiscal year~~
14 ~~2003~~) shall be transferred to the agricultural college trust management
15 account and are provided solely to manage approximately 70,700 acres of
16 Washington State University's agricultural college trust lands.

17 ~~((7))~~ (6) \$4,000 of the general fund--state appropriation for fiscal
18 year 2002 and \$4,000 of the general fund--state appropriation for fiscal
19 year 2003 are provided solely to compensate the forest board trust for a
20 portion of the lease to the Crescent television improvement district
21 consistent with RCW 79.12.055.

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

28 ~~—(9))~~ (7) \$828,000 of the surface mine reclamation account
29 appropriation is provided to implement Engrossed House Bill No. 1845
30 (surface mining fees). If the bill is not enacted by June 30, 2001, the
31 amount provided in this subsection shall lapse.

32 ~~((10))~~ (8) \$800,000 of the aquatic lands enhancement account
33 appropriation and \$200,000 of the resources management cost account
34 appropriation are provided solely to improve asset management on state-owned
35 aquatic lands. The department shall streamline the use authorization
36 process for businesses operating on state-owned aquatic lands and issue
37 decisions on 325 pending lease applications by June 30, (~~2002~~) 2003. The
38 department, in consultation with the attorney general, shall develop a

1 strategic program to resolve claims related to contaminated sediments on
2 state-owned aquatic lands.

3 ~~((11))~~ (9) \$246,000 of the resource management cost account
4 appropriation is provided to the department for continuing control of spruce
5 budworm.

6 ~~((12))~~ (10) \$100,000 of the aquatic lands enhancement account is
7 provided solely for the development and initial implementation of a
8 statewide management plan for marine reserves.

9 ~~((13))~~ (11) \$7,657,859 of the general fund--state appropriation for
10 fiscal year 2002 and ~~(((\$7,657,859))~~ \$4,153,859 of the general fund--state
11 appropriation for fiscal year 2003 are provided solely for emergency fire
12 suppression.

13 ~~((14))~~ (12) \$7,216,000 of the general fund--state appropriation for
14 fiscal year 2002 and \$6,584,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely for fire protection activities and to
16 implement provisions of the 1997 tridata fire program review.

17 ~~((15) \$275,000)~~ (13) \$100,000 of the general fund--state
18 appropriation for fiscal year 2002, \$275,000 of the general fund--state
19 appropriation for fiscal year 2003, ~~((and))~~ \$550,000 of the aquatic lands
20 enhancement account--state appropriation, and \$209,000 of the natural
21 resources conservation areas stewardship account--state appropriation are
22 provided solely to the department for planning, management, and stewardship
23 of natural area preserves and natural resources conservation areas.

24 ~~((16))~~ (14) \$187,000 of the general fund--state appropriation for
25 fiscal year 2002 ~~((7))~~ and \$188,000 of the general fund--state appropriation
26 for fiscal year 2003 ~~((, and \$375,000 of the aquatic lands enhancement~~
27 ~~account--state appropriation))~~ are provided solely to the department for
28 maintenance and stewardship of public lands.

29 ~~((17))~~ (15) \$100,000 of the general fund--state appropriation for
30 fiscal year 2002, \$100,000 of the general fund--state appropriation for
31 fiscal year 2003, and \$400,000 of the aquatic lands enhancement account
32 appropriation are provided solely for spartina control.

33 (16) Fees approved by the board of natural resources for filing and
34 recording surveys are authorized to exceed the fiscal growth factor under
35 RCW 43.135.055 for 2002.

36 (17) The entire state toxics control account appropriation is provided
37 solely for the department to meet its settlement obligation with the U.S.
38 Environmental Protection Agency for the clean-up of the Thea Foss Waterway.

1 (18) The departments of fish and wildlife, natural resources, and
2 ecology shall jointly evaluate the feasibility of aligning regional
3 operations and boundaries. The evaluation shall consider, but not be
4 limited to the following elements: Colocation of regional and other field
5 offices, administrative efficiencies, geographic boundaries that conform to
6 water resource inventory areas, and the level of decision-making authorized
7 for regional and field operations. Jointly, the departments shall provide
8 a report to the legislature and the office of financial management by
9 November 1, 2002, on the evaluation. The report shall include
10 recommendations for changes to regional operations alignment and
11 consolidation.

12 (19) In managing natural resources conservation areas and recreation
13 sites in the San Juan Islands, the department shall implement cost-recovery
14 methodologies that will recover at least 30 percent of the expenditures for
15 managing these lands.

16 (20) \$8,384,000 of the resource management cost account appropriation
17 is provided solely for the purposes of RCW 79.64.020 and is contingent upon
18 the establishment, management, and protection of the following marine
19 reserves: Tidelands and bedlands adjacent to Cherry Point in Whatcom
20 county; tidelands and bedlands surrounding Maury Island in King county;
21 tidelands, bedlands, harbor areas, and waterways adjacent to the Puyallup
22 River delta, within Commencement Bay in Pierce county; tidelands and
23 bedlands surrounding Cypress Island in Skagit county; and tidelands and
24 bedlands within Fidalgo Bay in Skagit county.

25 (21) In order to diversify the investments of a trust on which a state
26 institution depends, by June 30, 2003, the department shall offer for sale,
27 consistent with the provisions of chapter 79.01 RCW, at least 10 percent of
28 the value of the agricultural school trust lands. All proceeds from the
29 sales shall be deposited in the agricultural permanent fund as established
30 in RCW 43.79.130, except the department's costs of transactions, including,
31 but not limited to the costs of land and asset appraisal, survey, and
32 auction, shall be deducted from the sale proceeds, but shall not be greater
33 than 5 percent of the value of the assets sold.

34 (22) \$250,000 of the resource management cost account--state
35 appropriation and \$250,000 of the forest development account--state
36 appropriation are deposited in the contract harvesting revolving account--
37 nonappropriated to implement Substitute Senate Bill No. 6257 (contract
38 harvesting). If Substitute Senate Bill No. 6257 is not enacted the deposit
39 in this subsection shall not occur.

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

3 **FOR THE DEPARTMENT OF AGRICULTURE**

| | | |
|----|--|-----------------------------|
| 4 | General Fund--State Appropriation (FY 2002) . . . \$ | ((8,165,000)) |
| 5 | | <u>7,815,000</u> |
| 6 | General Fund--State Appropriation (FY 2003) . . . \$ | ((8,024,000)) |
| 7 | | <u>7,434,000</u> |
| 8 | General Fund--Federal Appropriation \$ | ((4,636,000)) |
| 9 | | <u>7,441,000</u> |
| 10 | General fund--Private/Local Appropriation \$ | 1,110,000 |
| 11 | Aquatic Lands Enhancement Account--State | |
| 12 | Appropriation \$ | ((2,304,000)) |
| 13 | | <u>2,272,000</u> |
| 14 | State Toxics Control Account--State | |
| 15 | Appropriation \$ | ((2,672,000)) |
| 16 | | <u>2,882,000</u> |
| 17 | TOTAL APPROPRIATION \$ | ((26,911,000)) |
| 18 | | <u>28,954,000</u> |

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

21 (1) \$36,000 of the general fund--state appropriation for fiscal year
22 2002 and \$37,000 of the general fund--state appropriation for fiscal year
23 2003 are provided solely for implementation of the Puget Sound work plan and
24 agency action item DOA-01.

25 (2) ((~~\$832,000~~)) \$1,077,000 of the state toxics control account
26 appropriation and \$298,000 of the agricultural local account are provided
27 solely to establish a program to monitor pesticides in surface water, sample
28 and analyze surface waters for pesticide residues, evaluate pesticide
29 exposure on salmon species listed under the provisions of the endangered
30 species act, and implement actions needed to protect salmonids.

31 (3) \$1,480,000 of the aquatic lands enhancement account appropriation
32 is provided solely to initiate a ((~~four-year~~)) plan to eradicate
33 infestations of spartina in Puget Sound, Hood Canal, and Grays Harbor and
34 begin the reduction in spartina infestations in Willapa Bay.

35 (4) \$75,000 of the general fund--state appropriation for fiscal year
36 2002, \$75,000 of the general fund--state appropriation for fiscal year 2003,
37 and \$150,000 of the general fund--federal appropriation are provided solely
38 to the small farm and direct marketing program to support small farms in

1 complying with federal, state, and local regulations, facilitating access
2 to food processing centers, and assisting with grant funding requests.

3 (5) (~~(\$350,000 of the general fund--state appropriation for fiscal year~~
4 ~~2002, \$350,000 of the general fund--state appropriation for fiscal year~~
5 ~~2003,)~~) \$700,000 of the general fund--federal appropriation and \$700,000 of
6 the general fund--private/local appropriation are provided solely to
7 implement chapter 324, Laws of 2001 (Substitute House Bill No. 1891,
8 marketing of agriculture). Of these amounts, \$40,000 of the general fund--
9 state appropriation is provided solely to match funds provided by the red
10 raspberry commission to address unfair trade practices by other countries
11 that result in sales in Washington that are below the cost of production in
12 Washington.

13 (6) \$450,000 of the state toxics control account--state appropriation
14 is provided solely for deposit in the agricultural local nonappropriated
15 account for the plant pest account to reimburse county horticultural pest
16 and disease boards for the costs of pest control activities, including tree
17 removal, conducted under their existing authorities in chapters 15.08 and
18 15.09 RCW.

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

30 (End of part)

PART IV
TRANSPORTATION

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

5 **FOR THE DEPARTMENT OF LICENSING**

| | | |
|----|--|----------------------------|
| 6 | General Fund--State Appropriation (FY 2002) . . . \$ | ((5,389,000)) |
| 7 | | <u>5,366,000</u> |
| 8 | General Fund--State Appropriation (FY 2003) . . . \$ | ((5,377,000)) |
| 9 | | <u>5,300,000</u> |
| 10 | Architects' License Account--State | |
| 11 | Appropriation \$ | ((707,000)) |
| 12 | | <u>684,000</u> |
| 13 | Cemetery Account--State Appropriation . . . \$ | ((214,000)) |
| 14 | | <u>200,000</u> |
| 15 | Professional Engineers' Account--State | |
| 16 | Appropriation \$ | ((3,032,000)) |
| 17 | | <u>3,103,000</u> |
| 18 | Real Estate Commission--State Appropriation . . . \$ | ((6,777,000)) |
| 19 | | <u>6,841,000</u> |
| 20 | Master License Account--State Appropriation . . . \$ | ((8,409,000)) |
| 21 | | <u>8,285,000</u> |
| 22 | Uniform Commercial Code Account--State | |
| 23 | Appropriation \$ | ((3,104,000)) |
| 24 | | <u>2,902,000</u> |
| 25 | Real Estate Education Account--State | |
| 26 | Appropriation \$ | ((301,000)) |
| 27 | | <u>276,000</u> |
| 28 | Funeral Directors and Embalmers Account--State | |
| 29 | Appropriation \$ | ((490,000)) |
| 30 | | <u>459,000</u> |
| 31 | Washington Real Estate Research Account | |
| 32 | Appropriation \$ | ((316,000)) |
| 33 | | <u>307,000</u> |
| 34 | Data Processing Revolving Account--State | |
| 35 | Appropriation \$ | 23,000 |
| 36 | <u>Derelict Vessel Removal Account--State</u> | |

| | | | |
|---|--------------------------------|----|---------------------------|
| 1 | <u>Appropriation</u> | \$ | <u>86,000</u> |
| 2 | TOTAL APPROPRIATION | \$ | ((34,139,000)) |
| 3 | | | <u>33,832,000</u> |

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

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

18 **FOR THE STATE PATROL**

| | | | |
|----|---|----|---------------------------|
| 19 | General Fund--State Appropriation (FY 2002) . . | \$ | ((21,890,000)) |
| 20 | | | <u>21,567,000</u> |
| 21 | General Fund--State Appropriation (FY 2003) . . | \$ | ((8,066,000)) |
| 22 | | | <u>7,933,000</u> |
| 23 | General Fund--Federal Appropriation | \$ | 4,178,000 |
| 24 | General Fund--Private/Local Appropriation \$ | | 369,000 |
| 25 | Death Investigations Account--State | | |
| 26 | Appropriation | \$ | ((3,899,000)) |
| 27 | | | <u>4,024,000</u> |
| 28 | Public Safety and Education Account--State | | |
| 29 | Appropriation | \$ | ((16,070,000)) |
| 30 | | | <u>14,652,000</u> |
| 31 | County Criminal Justice Assistance Account--State | | |
| 32 | Appropriation | \$ | ((2,490,000)) |
| 33 | | | <u>2,870,000</u> |
| 34 | Municipal Criminal Justice Assistance Account-- | | |
| 35 | State Appropriation | \$ | ((987,000)) |
| 36 | | | <u>1,367,000</u> |
| 37 | Fire Service Trust Account--State | | |

| | | | |
|----|---|----|-------------------|
| 1 | Appropriation | \$ | 125,000 |
| 2 | Fire Service Training Account--State | | |
| 3 | Appropriation | \$ | 6,328,000 |
| 4 | State Toxics Control Account--State | | |
| 5 | Appropriation | \$ | 461,000 |
| 6 | Violence Reduction and Drug Enforcement Account-- | | |
| 7 | State Appropriation | \$ | ((277,000)) |
| 8 | | | <u>271,000</u> |
| 9 | Fingerprint Identification Account--State | | |
| 10 | Appropriation | \$ | ((3,684,000)) |
| 11 | | | <u>5,316,000</u> |
| 12 | TOTAL APPROPRIATION | \$ | ((68,824,000)) |
| 13 | | | <u>69,461,000</u> |

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

16 (1) \$354,000 of the public safety and education account appropriation
17 is provided solely for additional law enforcement and security coverage on
18 the west capitol campus.

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

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

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

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

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

4 (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) . . . \$ | ((12,357,000)) |
| | <u>12,302,000</u> |
| General Fund--State Appropriation (FY 2003) . . . \$ | ((12,266,000)) |
| | <u>11,951,000</u> |
| General Fund--Federal Appropriation \$ | ((23,668,000)) |
| | <u>53,760,000</u> |
| TOTAL APPROPRIATION \$ | ((48,291,000)) |
| | <u>78,013,000</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~~)) \$11,052,000 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, a maximum of \$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~~)) \$481,000 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. Of the general fund--state appropriation ((~~for fiscal year 2002~~)), \$100,000 is 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~~)) \$418,000 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 | (2) STATEWIDE PROGRAMS | |
| 2 | General Fund--State Appropriation (FY 2002) . . . \$ | ((17,274,000)) |
| 3 | | <u>17,280,000</u> |
| 4 | General Fund--State Appropriation (FY 2003) . . . \$ | ((19,407,000)) |
| 5 | | <u>3,948,000</u> |
| 6 | General Fund--Federal Appropriation \$ | ((213,016,000)) |
| 7 | | <u>85,395,000</u> |
| 8 | TOTAL APPROPRIATION \$ | ((249,697,000)) |
| 9 | | <u>106,623,000</u> |

10 The appropriations in this subsection are provided solely for the
11 statewide programs specified in this subsection and are subject to the
12 following conditions and limitations:

13 (a) HEALTH AND SAFETY

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

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

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

29 (A) The safety center shall: Disseminate successful models of school
30 safety plans and cooperative efforts; provide assistance to schools to
31 establish a comprehensive safe school plan; select models of cooperative
32 efforts that have been proven successful; act as an information
33 dissemination and resource center when an incident occurs in a school
34 district either in Washington or in another state; coordinate activities
35 relating to school safety; review and approve manuals and curricula used for
36 school safety models and training; and develop and maintain a school safety
37 information web site.

38 (B) The school safety center shall be established in the office of the
39 superintendent of public instruction. The superintendent of public

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

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

14 (iv) A maximum of \$113,000 of the general fund--state appropriation for
15 fiscal year 2002 (~~((and a maximum of \$103,000 of the general fund--state
16 appropriation for fiscal year 2003 are))~~) is provided for a school safety
17 training program provided by the criminal justice training commission
18 subject to the following conditions and limitations:

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

23 (B) The Washington state criminal justice training commission, in
24 collaboration with the advisory committee, shall provide the school safety
25 training for all school administrators and school safety personnel,
26 including school safety personnel hired after the effective date of this
27 section.

28 (v) A maximum of \$250,000 of the general fund--state appropriation for
29 fiscal year 2002 (~~((and a maximum of \$250,000 of the general fund--state
30 appropriation for fiscal year 2003 are))~~) is provided for training in school
31 districts regarding the prevention of bullying and harassment. The
32 superintendent of public instruction shall use the funds to develop a model
33 bullying and harassment prevention policy and training materials for school
34 and educational service districts. The information may be disseminated in
35 a variety of ways, including workshops and other staff development
36 activities such as videotape or broadcasts.

37 (vi) A maximum of \$6,042,000 of the general fund--state appropriation
38 for fiscal year 2002 (~~((and a maximum of \$6,028,000 of the general
39 fund--state appropriation for fiscal year 2003 are))~~) is provided for a

1 safety allocation to districts subject to the following conditions and
2 limitations:

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

6 (B) Districts shall expend funds allocated under this section to
7 develop and implement strategies identified in a comprehensive safe school
8 plan pursuant to House Bill No. 1818 (student safety) or Senate Bill No.
9 5543 (student safety). If neither bill is enacted by June 30, 2001,
10 expenditures of the safety allocation shall be subject to (i), (ii), and
11 (iii) of this subsection (a)(vi)(B).

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

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

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

35 (vii) A maximum of \$200,000 of the general fund--state appropriation
36 for fiscal year 2002(~~(, a maximum of \$200,000 of the general fund--state~~
37 ~~appropriation for fiscal year 2003,)~~) and \$400,000 of the general fund--
38 federal appropriation transferred from the department of health are provided
39 for a program that provides grants to school districts for media campaigns

1 promoting sexual abstinence and addressing the importance of delaying sexual
2 activity, pregnancy, and childbearing until individuals are ready to nurture
3 and support their children. Grants to the school districts shall be for
4 projects that are substantially designed and produced by students. The
5 grants shall require a local private sector match equal to one-half of the
6 state grant, which may include in-kind contribution of technical or other
7 assistance from consultants or firms involved in public relations,
8 advertising, broadcasting, and graphics or video production or other related
9 fields.

10 (viii) A maximum of \$150,000 of the general fund--state appropriation
11 for fiscal year 2002 (~~(and a maximum of \$150,000 of the general fund--state~~
12 ~~appropriation for fiscal year 2003 are)~~) is provided for a nonviolence and
13 leadership training program provided by the institute for community
14 leadership. The program shall provide the following:

15 (A) Statewide nonviolence leadership coaches training program for
16 certification of educational employees and community members in nonviolence
17 leadership workshops;

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

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

24 (ix) A maximum of \$1,500,000 of the general fund--state appropriation
25 for fiscal year 2002 (~~(and a maximum of \$1,500,000 of the general fund--~~
26 ~~state appropriation for fiscal year 2003 are)~~) is provided for school
27 district petitions to juvenile court for truant students as provided in RCW
28 28A.225.030 and 28A.225.035. Allocation of this money to school districts
29 shall be based on the number of petitions filed.

30 (b) TECHNOLOGY

31 (i) A maximum of \$2,000,000 of the general fund--state appropriation
32 for fiscal year 2002 and a maximum of (~~(\$2,000,000)~~) \$1,940,000 of the
33 general fund--state appropriation for fiscal year 2003 are provided for K-20
34 telecommunications network technical support in the K-12 sector to prevent
35 system failures and avoid interruptions in school utilization of the data
36 processing and video-conferencing capabilities of the network. These funds
37 may be used to purchase engineering and advanced technical support for the
38 network. A maximum of \$650,000 of this amount may be expended for state-
39 level administration and staff training on the K-20 network.

1 (ii) A maximum of \$617,000 of the general fund--state appropriation for
2 fiscal year 2002 (~~(and a maximum of \$1,112,000 of the general fund--state~~
3 ~~appropriation for fiscal year 2003 are)~~) is provided for the Washington
4 state leadership assistance for science education reform (LASER) regional
5 partnership coordinated at the Pacific Science Center.

6 (iii) \$92,000 of the general fund--state appropriation for fiscal year
7 2003 is provided solely for a study of technology in the public schools
8 subject to the following conditions and limitations:

9 (A) The superintendent shall convene a technology in education task
10 force to develop recommendations about the use of technology and
11 recommendations about funding technology in the schools after conducting a
12 study. The study shall focus on the application of technology in grades
13 three through twelve. The study shall be completed not later than November
14 1, 2002, and the recommendations shall be submitted to the education and
15 fiscal committees of the house of representatives and the senate. The study
16 shall include but not be limited to:

17 (1) The technology currently available in schools and school districts.
18 Technology includes but is not limited to computers, local area networks,
19 and access to electronic media on the internet;

20 (2) Methods school districts are using currently to fund technology and
21 recommendations for the future;

22 (3) Plans to update the technology including any replacement schedules;

23 (4) Training in the use of technology;

24 (5) Integration of technology into the curriculum;

25 (6) The different uses of technology in upper elementary grades, middle
26 school, and high school; and

27 (7) Applications of technology in schools in other states and how that
28 technology is funded.

29 (B) The technology in education task force shall consist of the
30 following voting members or their designees: One member from each major
31 caucus of the senate, appointed by the president of the senate; one member
32 from each major caucus of the house of representatives, appointed by the
33 speaker of the house of representatives; the superintendent of public
34 instruction; the chair of the information services board; one representative
35 of the community and technical colleges, appointed by the state board for
36 community and technical colleges; one educational service district
37 superintendent, one school district superintendent, one principal, and one
38 teacher, each appointed by the superintendent of public instruction; two
39 representatives appointed by the higher education coordinating board; and

1 three representatives of the computer or digital technology industry and
2 three members of the general public, each appointed by the superintendent
3 of public instruction. The superintendent of public instruction, or
4 designee, shall chair the task force.

5 (c) GRANTS AND ALLOCATIONS

6 (i) A maximum of \$25,000 of the general fund--state appropriation for
7 fiscal year 2002 and a maximum of (~~(\$1,975,000)~~) \$1,916,000 of the general
8 fund--state appropriation for fiscal year 2003 are provided for Senate Bill
9 No. 5695 (alternative certification routes). If the bill is not enacted by
10 June 30, 2001, the amount provided in this subsection shall lapse. The
11 stipend allocation per teacher candidate and mentor pair shall not exceed
12 \$28,318. The professional educator standards board shall report to the
13 education committees of the legislature by December 15, 2002, on the
14 districts applying for partnership grants, the districts receiving
15 partnership grants, and the number of interns per route enrolled in each
16 district.

17 (ii) A maximum of \$31,500 of the general fund--state appropriation for
18 fiscal year 2002 (~~(and a maximum of \$31,500 of the general fund--state~~
19 ~~appropriation for fiscal year 2003 are)~~) is provided for operation of the
20 Cispus environmental learning center.

21 (iii) A maximum of \$150,000 of the general fund--state appropriation
22 for fiscal year 2002 (~~(and a maximum of \$150,000 of the general fund--state~~
23 ~~appropriation for fiscal year 2003 are)~~) is provided for the Washington
24 civil liberties education program.

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

30 (v) A maximum of \$1,377,000 of the general fund--state appropriation
31 for fiscal year 2002 (~~(and a maximum of \$1,377,000 of the general fund--~~
32 ~~state appropriation for fiscal year 2003 are)~~) is provided for educational
33 centers, including state support activities. (~~(\$100,000)~~) \$50,000 of this
34 amount for fiscal year 2002 is provided to help stabilize funding through
35 distribution among existing education centers that are currently funded by
36 the state at an amount less than (~~(\$100,000 a biennium)~~) \$50,000 a fiscal
37 year.

38 (vi) A maximum of \$50,000 of the general fund--state appropriation for
39 fiscal year 2002 (~~(and a maximum of \$50,000 of the general fund--state~~

1 ~~appropriation for fiscal year 2003 are~~) is provided for an organization in
2 southwest Washington that received funding from the Spokane educational
3 center in the 1995-97 biennium and provides educational services to students
4 who have dropped out of school.

5 (vii) A maximum of \$1,262,000 of the general fund--state appropriation
6 for fiscal year 2002 (~~(and a maximum of \$1,262,000 of the general fund--~~
7 ~~state appropriation for fiscal year 2003 are)~~) is provided for in-service
8 training and educational programs conducted by the Pacific Science Center.

9 (viii) A maximum of \$100,000 of the general fund--state appropriation
10 for fiscal year 2002 (~~(and a maximum of \$100,000 of the general fund--state~~
11 ~~appropriation for fiscal year 2003 are)~~) is provided to support vocational
12 student leadership organizations.

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

16 (x) A maximum of \$150,000 of the general fund--state appropriation for
17 fiscal year 2002 (~~(and a maximum of \$150,000 of the general fund--state~~
18 ~~appropriation for fiscal year 2003 are)~~) is provided for the World War II
19 oral history project.

20 (xi) (~~(\$30,700,000)~~) \$13,942,000 of the general fund--federal
21 appropriation is provided for school renovation grants for school districts
22 with urgent school renovation needs, special education-related renovations,
23 and technology related renovations.

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

29 (xiii) (~~(\$423,000)~~) \$536,000 of the general fund--federal appropriation
30 is provided for the advanced placement fee program to increase opportunities
31 for low-income students and under-represented populations to participate in
32 advanced placement courses and to increase the capacity of schools to
33 provide advanced placement courses to students.

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

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

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

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

| | | |
|----|---|----------------------------------|
| 8 | General Fund--State Appropriation (FY 2002) . . . | \$((3,760,826,000)) |
| 9 | | <u>3,786,124,000</u> |
| 10 | General Fund--State Appropriation (FY 2003) . . . | \$((3,751,350,000)) |
| 11 | | <u>3,714,432,000</u> |
| 12 | TOTAL APPROPRIATION | \$((7,512,176,000)) |
| 13 | | <u>7,500,556,000</u> |

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

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

19 (2) Allocations for certificated staff salaries for the 2001-02 and
20 2002-03 school years shall be determined using formula-generated staff units
21 calculated pursuant to this subsection. Staff allocations for small school
22 enrollments in (d) through (f) of this subsection shall be reduced for
23 vocational full-time equivalent enrollments. Staff allocations for small
24 school enrollments in grades K-6 shall be the greater of that generated
25 under (a) of this subsection, or under (d) and (e) of this subsection.
26 Certificated staffing allocations shall be as follows:

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

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

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

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

1 (iv) An additional 4.2 certificated instructional staff units for
2 grades K-3 and an additional 7.2 certificated instructional staff units for
3 grade 4. Any funds allocated for the additional certificated units provided
4 in this subsection (iv) shall not be considered as basic education funding;

5 (v) For class size reduction and expanded learning opportunities under
6 the better schools program, an additional 2.2 certificated instructional
7 staff units for grades K-4 per thousand full-time equivalent students.
8 Funds allocated for these additional certificated units shall not be
9 considered as basic education funding. The allocation may be used for
10 reducing class sizes in grades K-4 or to provide additional classroom
11 contact hours for kindergarten, before-and-after-school programs, weekend
12 school programs, summer school programs, and intercession opportunities to
13 assist elementary school students in meeting the essential academic learning
14 requirements and student assessment performance standards. For purposes of
15 this subsection, additional classroom contact hours provided by teachers
16 beyond the normal school day under a supplemental contract shall be
17 converted to a certificated full-time equivalent by dividing the classroom
18 contact hours by 900.

19 (A) Funds provided under this subsection (2)(a)(iv) and (v) in excess
20 of the amount required to maintain the statutory minimum ratio established
21 under RCW 28A.150.260(2)(b) shall be allocated only if the district
22 documents an actual ratio equal to or greater than 55.4 certificated
23 instructional staff per thousand full-time equivalent students in grades K-
24 4. For any school district documenting a lower certificated instructional
25 staff ratio, the allocation shall be based on the district's actual grades
26 K-4 certificated instructional staff ratio achieved in that school year, or
27 the statutory minimum ratio established under RCW 28A.150.260(2)(b), if
28 greater;

29 (B) Districts at or above 51.0 certificated instructional staff per one
30 thousand full-time equivalent students in grades K-4 may dedicate up to 1.3
31 of the 55.4 funding ratio to employ additional classified instructional
32 assistants assigned to basic education classrooms in grades K-4. For
33 purposes of documenting a district's staff ratio under this section, funds
34 used by the district to employ additional classified instructional
35 assistants shall be converted to a certificated staff equivalent and added
36 to the district's actual certificated instructional staff ratio. Additional
37 classified instructional assistants, for the purposes of this subsection,
38 shall be determined using the 1989-90 school year as the base year;

1 (C) Any district maintaining a ratio equal to or greater than 55.4
2 certificated instructional staff per thousand full-time equivalent students
3 in grades K-4 may use allocations generated under this subsection (2)(a)(iv)
4 and (v) in excess of that required to maintain the minimum ratio established
5 under RCW 28A.150.260(2)(b) to employ additional basic education
6 certificated instructional staff or classified instructional assistants in
7 grades 5-6. Funds allocated under this subsection (2)(a)(iv) and (v) shall
8 only be expended to reduce class size in grades K-6. No more than 1.3 of
9 the certificated instructional funding ratio amount may be expended for
10 provision of classified instructional assistants;

11 (b) For school districts with a minimum enrollment of 250 full-time
12 equivalent students whose full-time equivalent student enrollment count in
13 a given month exceeds the first of the month full-time equivalent enrollment
14 count by 5 percent, an additional state allocation of 110 percent of the
15 share that such increased enrollment would have generated had such
16 additional full-time equivalent students been included in the normal
17 enrollment count for that particular month;

18 (c)(i) On the basis of full-time equivalent enrollment in:

19 (A) Vocational education programs approved by the superintendent of
20 public instruction, a maximum of 0.92 certificated instructional staff units
21 and 0.08 certificated administrative staff units for each 19.5 full-time
22 equivalent vocational students; and

23 (B) Skills center programs meeting the standards for skills center
24 funding established in January 1999 by the superintendent of public
25 instruction, 0.92 certificated instructional staff units and 0.08
26 certificated administrative units for each 16.67 full-time equivalent
27 vocational students; (~~and~~)

28 (ii) Vocational full-time equivalent enrollment shall be reported on
29 the same monthly basis as the enrollment for students eligible for basic
30 support, and payments shall be adjusted for reported vocational enrollments
31 on the same monthly basis as those adjustments for enrollment for students
32 eligible for basic support; and

33 (iii) Indirect cost charges by a school district to vocational-
34 secondary programs shall not exceed 15 percent of the combined basic
35 education and vocational enhancement allocations of state funds;

36 (d) For districts enrolling not more than twenty-five average annual
37 full-time equivalent students in grades K-8, and for small school plants
38 within any school district which have been judged to be remote and necessary

1 by the state board of education and enroll not more than twenty-five average
2 annual full-time equivalent students in grades K-8:

3 (i) For those enrolling no students in grades 7 and 8, 1.76
4 certificated instructional staff units and 0.24 certificated administrative
5 staff units for enrollment of not more than five students, plus
6 one-twentieth of a certificated instructional staff unit for each additional
7 student enrolled; and

8 (ii) For those enrolling students in grades 7 or 8, 1.68 certificated
9 instructional staff units and 0.32 certificated administrative staff units
10 for enrollment of not more than five students, plus one-tenth of a
11 certificated instructional staff unit for each additional student enrolled;

12 (e) For specified enrollments in districts enrolling more than
13 twenty-five but not more than one hundred average annual full-time
14 equivalent students in grades K-8, and for small school plants within any
15 school district which enroll more than twenty-five average annual full-time
16 equivalent students in grades K-8 and have been judged to be remote and
17 necessary by the state board of education:

18 (i) For enrollment of up to sixty annual average full-time equivalent
19 students in grades K-6, 2.76 certificated instructional staff units and 0.24
20 certificated administrative staff units; and

21 (ii) For enrollment of up to twenty annual average full-time equivalent
22 students in grades 7 and 8, 0.92 certificated instructional staff units and
23 0.08 certificated administrative staff units;

24 (f) For districts operating no more than two high schools with
25 enrollments of less than three hundred average annual full-time equivalent
26 students, for enrollment in grades 9-12 in each such school, other than
27 alternative schools:

28 (i) For remote and necessary schools enrolling students in any grades
29 9-12 but no more than twenty-five average annual full-time equivalent
30 students in grades K-12, four and one-half certificated instructional staff
31 units and one-quarter of a certificated administrative staff unit;

32 (ii) For all other small high schools under this subsection, nine
33 certificated instructional staff units and one-half of a certificated
34 administrative staff unit for the first sixty average annual full time
35 equivalent students, and additional staff units based on a ratio of 0.8732
36 certificated instructional staff units and 0.1268 certificated
37 administrative staff units per each additional forty-three and one-half
38 average annual full time equivalent students.

1 Units calculated under (f)(ii) of this subsection shall be reduced by
2 certificated staff units at the rate of forty-six certificated instructional
3 staff units and four certificated administrative staff units per thousand
4 vocational full-time equivalent students(~~(-)~~);

5 (g) For each nonhigh school district having an enrollment of more than
6 seventy annual average full-time equivalent students and less than one
7 hundred eighty students, operating a grades K-8 program or a grades 1-8
8 program, an additional one-half of a certificated instructional staff unit;
9 and

10 (h) For each nonhigh school district having an enrollment of more than
11 fifty annual average full-time equivalent students and less than one hundred
12 eighty students, operating a grades K-6 program or a grades 1-6 program, an
13 additional one-half of a certificated instructional staff unit.

14 (3) Allocations for classified salaries for the 2001-02 and 2002-03
15 school years shall be calculated using formula-generated classified staff
16 units determined as follows:

17 (a) For enrollments generating certificated staff unit allocations
18 under subsection (2)(d) through (h) of this section, one classified staff
19 unit for each three certificated staff units allocated under such
20 subsections;

21 (b) For all other enrollment in grades K-12, including vocational full-
22 time equivalent enrollments, one classified staff unit for each sixty
23 average annual full-time equivalent students; and

24 (c) For each nonhigh school district with an enrollment of more than
25 fifty annual average full-time equivalent students and less than one hundred
26 eighty students, an additional one-half of a classified staff unit.

27 (4) Fringe benefit allocations shall be calculated at a rate of
28 (~~(11.27)~~) 10.76 percent in the 2001-02 school year and (~~(11.27)~~) 9.57
29 percent in the 2002-03 school year for certificated salary allocations
30 provided under subsection (2) of this section, and a rate of (~~(12.92)~~) 12.73
31 percent in the 2001-02 school year and (~~(12.92)~~) 12.36 percent in the 2002-
32 03 school year for classified salary allocations provided under subsection
33 (3) of this section.

34 (5) Insurance benefit allocations shall be calculated at the
35 maintenance rate specified in section 504(3) of this act, based on the
36 number of benefit units determined as follows:

37 (a) The number of certificated staff units determined in subsection (2)
38 of this section; and

1 (b) The number of classified staff units determined in subsection (3)
2 of this section multiplied by 1.152. This factor is intended to adjust
3 allocations so that, for the purposes of distributing insurance benefits,
4 full-time equivalent classified employees may be calculated on the basis of
5 1440 hours of work per year, with no individual employee counted as more
6 than one full-time equivalent.

7 (6)(a) For nonemployee-related costs associated with each certificated
8 staff unit allocated under subsection (2)(a), (b), and (d) through (h) of
9 this section, there shall be provided a maximum of \$8,519 per certificated
10 staff unit in the 2001-02 school year and a maximum of (~~(\$8,715)~~) \$8,604 per
11 certificated staff unit in the 2002-03 school year.

12 (b) For nonemployee-related costs associated with each vocational
13 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
14 section, there shall be provided a maximum of \$20,920 per certificated staff
15 unit in the 2001-02 school year and a maximum of (~~(\$21,401)~~) \$21,129 per
16 certificated staff unit in the 2002-03 school year.

17 (c) For nonemployee-related costs associated with each vocational
18 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
19 section, there shall be provided a maximum of \$16,233 per certificated staff
20 unit in the 2001-02 school year and a maximum of (~~(\$16,606)~~) \$16,395 per
21 certificated staff unit in the 2002-03 school year.

22 (7) Allocations for substitute costs for classroom teachers shall be
23 distributed at a maintenance rate of \$494.34 for the 2001-02 and 2002-03
24 school years per allocated classroom teachers exclusive of salary increase
25 amounts provided in section 504 of this act. Solely for the purposes of
26 this subsection, allocated classroom teachers shall be equal to the number
27 of certificated instructional staff units allocated under subsection (2) of
28 this section, multiplied by the ratio between the number of actual basic
29 education certificated teachers and the number of actual basic education
30 certificated instructional staff reported statewide for the prior school
31 year.

32 (8) Any school district board of directors may petition the
33 superintendent of public instruction by submission of a resolution adopted
34 in a public meeting to reduce or delay any portion of its basic education
35 allocation for any school year. The superintendent of public instruction
36 shall approve such reduction or delay if it does not impair the district's
37 financial condition. Any delay shall not be for more than two school years.
38 Any reduction or delay shall have no impact on levy authority pursuant to
39 RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

1 (9) The superintendent may distribute a maximum of (~~(\$6,510,000)~~)
2 \$5,939,000 outside the basic education formula during fiscal years 2002 and
3 2003 as follows:

4 (a) For fire protection for school districts located in a fire
5 protection district as now or hereafter established pursuant to chapter
6 52.04 RCW, a maximum of \$480,000 may be expended in fiscal year 2002 and a
7 maximum of (~~(\$491,000)~~) \$485,000 may be expended in fiscal year 2003;

8 (b) For summer vocational programs at skills centers, a maximum of
9 \$2,098,000 may be expended (~~(each)~~) for the 2001-02 fiscal year and a
10 maximum of \$2,035,000 for the 2003 fiscal year;

11 (c) A maximum of (~~(\$343,000)~~) \$341,000 may be expended for school
12 district emergencies; and

13 (d) A maximum of \$500,000 (~~(per fiscal year)~~) may be expended in fiscal
14 year 2002 for programs providing skills training for secondary students who
15 are enrolled in extended day school-to-work programs, as approved by the
16 superintendent of public instruction. The funds shall be allocated at a
17 rate not to exceed \$500 per full-time equivalent student enrolled in those
18 programs.

19 (10) For purposes of RCW 84.52.0531, the increase per full-time
20 equivalent student in state basic education appropriations provided under
21 this act, including appropriations for salary and benefits increases, is 2.5
22 percent from the 2000-01 school year to the 2001-02 school year, and (~~(3.3)~~)
23 0.5 percent from the 2000-01 school year to the 2002-03 school year.

24 (11) If two or more school districts consolidate and each district was
25 receiving additional basic education formula staff units pursuant to
26 subsection (2)(b) through (h) of this section, the following shall appl

27 (a) For three school years following consolidation, the number of basic
28 education formula staff units shall not be less than the number of basic
29 education formula staff units received by the districts in the school year
30 prior to the consolidation; and

31 (b) For the fourth through eighth school years following consolidation,
32 the difference between the basic education formula staff units received by
33 the districts for the school year prior to consolidation and the basic
34 education formula staff units after consolidation pursuant to subsection
35 (2)(a) through (h) of this section shall be reduced in increments of twenty
36 percent per year.

37 **Sec. 503.** 2001 2nd sp.s. c 7 s 503 (uncodified) is amended to read as
38 follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**
2 **COMPENSATION.** (1) The following calculations determine the salaries used

3 in the general fund allocations for certificated instructional, certificated
4 administrative, and classified staff units under section 502 of this ac

5 (a) For school year 2001-02, salary allocations for certificated
6 instructional staff units shall be determined for each district by
7 multiplying the district's certificated instructional total base salary
8 shown on LEAP Document 12E for the appropriate year, by the district's
9 average staff mix factor for basic education and special education
10 certificated instructional staff in that school year, computed using LEAP
11 Document 1S; (~~and~~)

12 (b) For school year 2002-03, salary allocations for certificated
13 instructional staff units shall be determined for each district by
14 multiplying the district's certificated instructional total base salary
15 shown on LEAP Document 12E for the appropriate year, by the district's
16 average staff mix factor for certificated instructional staff in that school
17 year, computed using LEAP Document 1S; and

18 (c) Salary allocations for certificated administrative staff units and
19 classified staff units for each district shall be based on the district's
20 certificated administrative and classified salary allocation amounts shown
21 on LEAP Document 12E for the appropriate year.

22 (2) For the purposes of this section:

23 (a) "Basic education certificated instructional staff" is defined as
24 provided in RCW 28A.150.100 and "special education certificated staff" means
25 staff assigned to the state-supported special education program pursuant to
26 chapter 28A.155 RCW in positions requiring a certificate;

27 (b) "LEAP Document 1S" means the computerized tabulation establishing
28 staff mix factors for certificated instructional staff according to
29 education and years of experience, as developed by the legislative
30 evaluation and accountability program committee on March 25, 1999, at 16:55
31 hours; and

32 (c) "LEAP Document 12E" means the computerized tabulation of 2001-02
33 and 2002-03 school year salary allocations for certificated administrative
34 staff and classified staff and derived and total base salaries for
35 certificated instructional staff as developed by the legislative evaluation
36 and accountability program committee on (~~March 13, 2001, at 16:32 hours~~)
37 February 14, 2002, at 10:30 hours.

38 (3) Incremental fringe benefit factors shall be applied to salary
39 adjustments at a rate of (~~10.63~~) 10.12 percent for school year(~~s~~) 2001-

1 02 and 8.93 percent for school year 2002-03 for certificated staff and
 2 ~~((9.42))~~ for classified staff 9.23 percent for school year ~~((9.23))~~ 2001-02 and
 3 8.86 percent for the 2002-03 ~~((for classified staff))~~ school year.

4 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
 5 allocation schedules for certificated instructional staff are established
 6 for basic education salary allocations:

7 K-12 Salary Schedule for Certificated Instructional Staff
 8 2001-02 School Year

| 9 Years of | | | | | |
|---------------|--------|--------|--------|--------|--------|
| 10 Service | BA | BA+15 | BA+30 | BA+45 | BA+90 |
| 11 0 | 27,467 | 28,209 | 28,977 | 29,746 | 32,219 |
| 12 1 | 27,836 | 28,588 | 29,366 | 30,171 | 32,668 |
| 13 2 | 28,464 | 29,231 | 30,025 | 30,900 | 33,414 |
| 14 3 | 29,401 | 30,192 | 31,009 | 31,931 | 34,490 |
| 15 4 | 30,063 | 30,896 | 31,727 | 32,689 | 35,290 |
| 16 5 | 30,750 | 31,595 | 32,443 | 33,468 | 36,085 |
| 17 6 | 31,147 | 31,974 | 32,850 | 33,928 | 36,531 |
| 18 7 | 32,164 | 33,010 | 33,909 | 35,055 | 37,724 |
| 19 8 | 33,195 | 34,088 | 35,008 | 36,248 | 38,954 |
| 20 9 | | 35,205 | 36,169 | 37,455 | 40,223 |
| 21 10 | | | 37,344 | 38,724 | 41,529 |
| 22 11 | | | | 40,029 | 42,895 |
| 23 12 | | | | 41,293 | 44,298 |
| 24 13 | | | | | 45,736 |
| 25 14 | | | | | 47,181 |
| 26 15 | | | | | 48,408 |
| 27 16 or more | | | | | 49,376 |

| 28 Years of | | | | MA+90 |
|-------------|--------|--------|--------|--------|
| 29 Service | BA+135 | MA | MA+45 | or PHD |
| 30 0 | 33,811 | 32,931 | 35,403 | 36,996 |
| 31 1 | 34,252 | 33,297 | 35,793 | 37,377 |
| 32 2 | 35,030 | 33,995 | 36,509 | 38,124 |
| 33 3 | 36,177 | 35,027 | 37,585 | 39,273 |
| 34 4 | 37,007 | 35,755 | 38,355 | 40,072 |
| 35 5 | 37,853 | 36,503 | 39,121 | 40,889 |
| 36 6 | 38,308 | 36,904 | 39,508 | 41,285 |
| 37 7 | 39,569 | 38,031 | 40,700 | 42,546 |

| | | | | | |
|---|------------|--------|--------|--------|--------|
| 1 | 8 | 40,867 | 39,225 | 41,930 | 43,843 |
| 2 | 9 | 42,201 | 40,430 | 43,200 | 45,177 |
| 3 | 10 | 43,572 | 41,700 | 44,505 | 46,549 |
| 4 | 11 | 44,979 | 43,005 | 45,872 | 47,956 |
| 5 | 12 | 46,446 | 44,362 | 47,275 | 49,422 |
| 6 | 13 | 47,947 | 45,766 | 48,712 | 50,923 |
| 7 | 14 | 49,505 | 47,212 | 50,251 | 52,481 |
| 8 | 15 | 50,792 | 48,439 | 51,557 | 53,846 |
| 9 | 16 or more | 51,808 | 49,407 | 52,589 | 54,923 |

10 K-12 Allocation Salary Schedule For Certificated Instructional Staff
11 2002-03 School Year

12 Years of

| 13 Service | BA | BA+15 | BA+30 | BA+45 | BA+90 |
|----------------|--------|--------|--------|--------|--------|
| 14 ((0 | 28,318 | 29,083 | 29,875 | 30,668 | 33,217 |
| 15 —1 | 28,699 | 29,473 | 30,276 | 31,106 | 33,680 |
| 16 —2 | 29,345 | 30,137 | 30,955 | 31,857 | 34,449 |
| 17 —3 | 30,312 | 31,127 | 31,970 | 32,920 | 35,559 |
| 18 —4 | 30,994 | 31,854 | 32,710 | 33,702 | 36,383 |
| 19 —5 | 31,703 | 32,574 | 33,448 | 34,505 | 37,203 |
| 20 —6 | 32,112 | 32,964 | 33,868 | 34,979 | 37,663 |
| 21 —7 | 33,160 | 34,033 | 34,959 | 36,141 | 38,893 |
| 22 —8 | 34,223 | 35,145 | 36,092 | 37,372 | 40,161 |
| 23 —9 | | 36,295 | 37,289 | 38,616 | 41,470 |
| 24 —10 | | | 38,501 | 39,923 | 42,815 |
| 25 —11 | | | | 41,269 | 44,225 |
| 26 —12 | | | | 42,572 | 45,671 |
| 27 —13 | | | | | 47,153 |
| 28 —14 | | | | | 48,642 |
| 29 —15 | | | | | 49,907 |
| 30 —16 or more | | | | | 50,906 |

| 31 Years of | MA+90 | | | |
|-------------|--------|--------|--------|--------|
| 32 Service | BA+135 | MA | MA+45 | or PHD |
| 33 —0 | 34,859 | 33,951 | 36,500 | 38,142 |
| 34 —1 | 35,313 | 34,328 | 36,902 | 38,535 |
| 35 —2 | 36,116 | 35,048 | 37,640 | 39,305 |
| 36 —3 | 37,298 | 36,112 | 38,750 | 40,490 |
| 37 —4 | 38,153 | 36,863 | 39,544 | 41,314 |

| | | | | | |
|----|-----------------------|-------------------|-------------------|-------------------|-----------------------|
| 1 | 5 | 39,026 | 37,634 | 40,333 | 42,156 |
| 2 | 6 | 39,495 | 38,047 | 40,732 | 42,564 |
| 3 | 7 | 40,795 | 39,210 | 41,961 | 43,864 |
| 4 | 8 | 42,133 | 40,440 | 43,229 | 45,201 |
| 5 | 9 | 43,509 | 41,683 | 44,538 | 46,577 |
| 6 | 10 | 44,922 | 42,992 | 45,884 | 47,991 |
| 7 | 11 | 46,373 | 44,337 | 47,293 | 49,442 |
| 8 | 12 | 47,885 | 45,736 | 48,739 | 50,953 |
| 9 | 13 | 49,432 | 47,184 | 50,221 | 52,501 |
| 10 | 14 | 51,039 | 48,675 | 51,808 | 54,107 |
| 11 | 15 | 52,366 | 49,940 | 53,155 | 55,514 |
| 12 | 16 or more | 53,413 | 50,938 | 54,218 | 56,624)) |

| | | | | | | |
|----|-------------------|---------------|---------------|---------------|---------------|---------------|
| 13 | <u>0</u> | <u>27,989</u> | <u>28,745</u> | <u>29,528</u> | <u>30,312</u> | <u>32,831</u> |
| 14 | <u>1</u> | <u>28,365</u> | <u>29,131</u> | <u>29,924</u> | <u>30,745</u> | <u>33,289</u> |
| 15 | <u>2</u> | <u>29,004</u> | <u>29,786</u> | <u>30,596</u> | <u>31,487</u> | <u>34,049</u> |
| 16 | <u>3</u> | <u>29,960</u> | <u>30,766</u> | <u>31,599</u> | <u>32,538</u> | <u>35,146</u> |
| 17 | <u>4</u> | <u>30,634</u> | <u>31,483</u> | <u>32,330</u> | <u>33,311</u> | <u>35,961</u> |
| 18 | <u>5</u> | <u>31,334</u> | <u>32,196</u> | <u>33,060</u> | <u>34,104</u> | <u>36,771</u> |
| 19 | <u>6</u> | <u>31,739</u> | <u>32,581</u> | <u>33,475</u> | <u>34,572</u> | <u>37,226</u> |
| 20 | <u>7</u> | <u>32,775</u> | <u>33,638</u> | <u>34,553</u> | <u>35,721</u> | <u>38,441</u> |
| 21 | <u>8</u> | <u>33,826</u> | <u>34,736</u> | <u>35,673</u> | <u>36,937</u> | <u>39,694</u> |
| 22 | <u>9</u> | | <u>35,874</u> | <u>36,856</u> | <u>38,167</u> | <u>40,988</u> |
| 23 | <u>10</u> | | | <u>38,054</u> | <u>39,459</u> | <u>42,318</u> |
| 24 | <u>11</u> | | | | <u>40,789</u> | <u>43,711</u> |
| 25 | <u>12</u> | | | | <u>42,078</u> | <u>45,140</u> |
| 26 | <u>13</u> | | | | | <u>46,605</u> |
| 27 | <u>14</u> | | | | | <u>48,077</u> |
| 28 | <u>15</u> | | | | | <u>49,328</u> |
| 29 | <u>16 or more</u> | | | | | <u>50,314</u> |

| | | | | | |
|----|-----------------|---------------|---------------|---------------|---------------|
| 30 | <u>Years of</u> | | | | <u>MA+90</u> |
| 31 | <u>Service</u> | <u>BA+135</u> | <u>MA</u> | <u>MA+45</u> | <u>or PHD</u> |
| 32 | <u>0</u> | <u>34,454</u> | <u>33,557</u> | <u>36,076</u> | <u>37,699</u> |
| 33 | <u>1</u> | <u>34,903</u> | <u>33,929</u> | <u>36,473</u> | <u>38,087</u> |
| 34 | <u>2</u> | <u>35,696</u> | <u>34,641</u> | <u>37,203</u> | <u>38,849</u> |
| 35 | <u>3</u> | <u>36,864</u> | <u>35,693</u> | <u>38,299</u> | <u>40,019</u> |
| 36 | <u>4</u> | <u>37,710</u> | <u>36,435</u> | <u>39,084</u> | <u>40,834</u> |
| 37 | <u>5</u> | <u>38,573</u> | <u>37,197</u> | <u>39,864</u> | <u>41,666</u> |
| 38 | <u>6</u> | <u>39,037</u> | <u>37,605</u> | <u>40,259</u> | <u>42,069</u> |

| | | | | | |
|----|-------------------|---------------|---------------|---------------|---------------|
| 1 | <u>7</u> | <u>40,321</u> | <u>38,754</u> | <u>41,474</u> | <u>43,354</u> |
| 2 | <u>8</u> | <u>41,643</u> | <u>39,970</u> | <u>42,727</u> | <u>44,676</u> |
| 3 | <u>9</u> | <u>43,003</u> | <u>41,199</u> | <u>44,021</u> | <u>46,036</u> |
| 4 | <u>10</u> | <u>44,400</u> | <u>42,492</u> | <u>45,351</u> | <u>47,433</u> |
| 5 | <u>11</u> | <u>45,834</u> | <u>43,822</u> | <u>46,744</u> | <u>48,867</u> |
| 6 | <u>12</u> | <u>47,328</u> | <u>45,205</u> | <u>48,173</u> | <u>50,361</u> |
| 7 | <u>13</u> | <u>48,858</u> | <u>46,636</u> | <u>49,638</u> | <u>51,891</u> |
| 8 | <u>14</u> | <u>50,446</u> | <u>48,109</u> | <u>51,206</u> | <u>53,479</u> |
| 9 | <u>15</u> | <u>51,758</u> | <u>49,359</u> | <u>52,537</u> | <u>54,869</u> |
| 10 | <u>16 or more</u> | <u>52,792</u> | <u>50,346</u> | <u>53,588</u> | <u>55,967</u> |

11 (b) As used in this subsection, the column headings "BA+(N)" refer to
 12 the number of credits earned since receiving the baccalaureate degree.

13 (c) For credits earned after the baccalaureate degree but before the
 14 masters degree, any credits in excess of forty-five credits may be counted
 15 after the masters degree. Thus, as used in this subsection, the column
 16 headings "MA+(N)" refer to the total of:

- 17 (i) Credits earned since receiving the masters degree; and
- 18 (ii) Any credits in excess of forty-five credits that were earned after
 19 the baccalaureate degree but before the masters degree.

20 (5) For the purposes of this section:

21 (a) "BA" means a baccalaureate degree.

22 (b) "MA" means a masters degree.

23 (c) "PHD" means a doctorate degree.

24 (d) "Years of service" shall be calculated under the same rules adopted
 25 by the superintendent of public instruction.

26 (e) "Credits" means college quarter hour credits and equivalent in-
 27 service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

28 (6) No more than ninety college quarter-hour credits received by any
 29 employee after the baccalaureate degree may be used to determine
 30 compensation allocations under the state salary allocation schedule and LEAP
 31 documents referenced in this act, or any replacement schedules and
 32 documents, unless:

33 (a) The employee has a masters degree; or

34 (b) The credits were used in generating state salary allocations before
 35 January 1, 1992.

36 (7) The certificated instructional staff base salary specified for each
 37 district in LEAP Document 12E and the salary schedule((S)) in subsection
 38 (4)(a) of this section for the 2001-02 school year includes three learning
 39 improvement days originally added in the 1999-00 school year. A school

1 district is eligible for the learning improvement day funds for school
 2 year(~~(§)~~) 2001-02 (~~(and 2002-03)~~), only if three learning improvement days
 3 have been added to the 180-day contract year. If fewer than three days are
 4 added, the additional learning improvement allocation shall be adjusted
 5 accordingly. The additional days shall be for activities related to
 6 improving student learning consistent with education reform implementation,
 7 and shall not be considered part of basic education. The length of a
 8 learning improvement day shall not be less than the length of a full day
 9 under the base contract. The superintendent of public instruction shall
 10 ensure that school districts adhere to the intent and purposes of this
 11 subsection.

12 (8) The salary allocation schedules established in this section are for
 13 allocation purposes only except as provided in RCW 28A.400.200(2).

14 **Sec. 504.** 2001 2nd sp.s. c 7 s 504 (uncodified) is amended to read as
 15 follows:

16 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
 17 **COMPENSATION ADJUSTMENTS**

| | | |
|----|---|------------------------------|
| 18 | General Fund--State Appropriation (FY 2002) . . . \$ | ((124,130,000)) |
| 19 | | <u>124,903,000</u> |
| 20 | General Fund--State Appropriation (FY 2003) . . . \$ | ((274,529,000)) |
| 21 | | <u>254,219,000</u> |
| 22 | <u>General Fund--Federal Appropriation (FY 2003) . . . \$</u> | <u>191,000</u> |
| 23 | TOTAL APPROPRIATION \$ | ((398,659,000)) |
| 24 | | <u>379,313,000</u> |

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

27 (1) (~~(\$318,024,000)~~) A total of \$328,952,000 is provided for a cost of
 28 living adjustment for state formula staff units of 3.7 percent effective
 29 September 1, 2001, and (~~(another salary adjustment)~~) 3.6 percent effective
 30 on September 1, 2002(~~(, in a percentage amount to be determined by the 2002~~
 31 ~~legislature consistent with the provisions of chapter 4, Laws of 2001~~
 32 ~~(Initiative Measure No. 732)~~). The appropriations include associated
 33 incremental fringe benefit allocations at rates of (~~(10.63)~~) 10.12 percent
 34 for school year(~~(§)~~) 2001-02 and 8.93 percent for school year 2002-03 for
 35 certificated staff and (~~(9.42)~~) 9.23 percent for school year(~~(§)~~) 2001-02
 36 and 8.86 for school year 2002-03 for classified staff.

1 (a) The appropriations in this section include the increased portion of
 2 salaries and incremental fringe benefits for all relevant state-funded
 3 school programs in part V of this act, in accordance with chapter 4, Laws
 4 of 2001 (Initiative Measure No. 732). Salary adjustments for state
 5 employees in the office of superintendent of public instruction and the
 6 education reform program are provided in part VII of this act. Increases
 7 for general apportionment (basic education) are based on the salary
 8 allocation schedules and methodology in section 502 of this act. Increases
 9 for special education result from increases in each district's basic
 10 education allocation per student. Increases for educational service
 11 districts and institutional education programs are determined by the
 12 superintendent of public instruction using the methodology for general
 13 apportionment salaries and benefits in section 502 of this act.

14 (b) The appropriations in this section provide cost-of-living and
 15 incremental fringe benefit allocations based on formula adjustments as
 16 follows:

| | School Year | |
|--|---------------------------|---------------------------|
| | 2001-02 | 2002-03 |
| 19 Pupil Transportation (per weighted pupil mile) \$ | 0.77 | \$ ((1.44)) |
| 20 | | <u>1.54</u> |
| 21 Highly Capable (per formula student) | \$ ((8.75)) | \$ ((16.35)) |
| 22 | <u>8.71</u> | <u>16.53</u> |
| 23 Transitional Bilingual Education (per eligible | | |
| 24 bilingual student) | \$ ((22.73)) | \$ ((42.48)) |
| 25 | <u>22.63</u> | <u>44.29</u> |
| 26 Learning Assistance (per entitlement unit) | \$ ((11.23)) | \$ ((20.99)) |
| 27 | <u>11.19</u> | <u>22.13</u> |
| 28 Substitute Teacher (allocation per teacher, | | |
| 29 section 502(7)) | \$ 18.29 | \$ ((34.18)) |
| 30 | | <u>36.75</u> |

31 (2) This act appropriates general fund--state funds and other funds for
 32 the purpose of providing the annual salary cost-of-living increase required
 33 by section 2, chapter 4, Laws of 2001 (Initiative Measure No. 732) for
 34 teachers and other school district employees in the state-funded salary
 35 base. For employees not included in the state-funded salary base, the
 36 annual salary cost-of-living increase may be provided by school districts
 37 from the federal funds appropriated in this act and local revenues,

1 including the adjusted levy base as provided in RCW 84.52.053 and section
2 502 of this act, and state discretionary funds provided under this act.

3 (3) (~~(\$80,635,000)~~) \$50,361,000 is provided for adjustments to
4 insurance benefit allocations. The maintenance rate for insurance benefit
5 allocations is \$427.73 per month for the 2001-02 and 2002-03 school years.
6 The appropriations in this section provide for a rate increase to \$455.27
7 per month for the 2001-02 (~~(school year)~~) and (~~(\$493.59 per month for the)~~)
8 2002-03 school years at the following rates:

| | School Year | |
|---|-------------|-------------------------|
| | 2001-02 | 2002-03 |
| 11 Pupil Transportation (per weighted pupil mile) | \$ 0.25 | (\$ (0.60)) |
| 12 | | <u>0.25</u> |
| 13 Highly Capable (per formula student) | \$ 1.74 | (\$ (4.18)) |
| 14 | | <u>1.70</u> |
| 15 Transitional Bilingual Education (per eligible | | |
| 16 bilingual student) | \$ 4.46 | (\$ (10.66)) |
| 17 | | <u>4.46</u> |
| 18 Learning Assistance (per entitlement unit) | \$ 3.51 | (\$ (8.38)) |
| 19 | | <u>3.51</u> |

20 (4) The rates specified in this section are subject to revision each
21 year by the legislature.

22 **Sec. 505.** 2001 2nd sp.s. c 7 s 505 (uncodified) is amended to read as
23 follows:

| | | |
|--|----------------------------|--------------------|
| 24 FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION | | |
| 25 General Fund--State Appropriation (FY 2002) . . . \$ | ((193,198,000)) | |
| 26 | | <u>192,402,000</u> |
| 27 General Fund--State Appropriation (FY 2003) . . . \$ | ((194,293,000)) | |
| 28 | | <u>193,293,000</u> |
| 29 TOTAL APPROPRIATION \$ | ((387,491,000)) | |
| 30 | | <u>385,695,000</u> |

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

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

1 (2) A maximum of \$767,000 of this fiscal year 2002 appropriation and a
2 maximum of (~~(\$785,000)~~) \$752,000 of the fiscal year 2003 appropriation may
3 be expended for regional transportation coordinators and related activities.
4 The transportation coordinators shall ensure that data submitted by school
5 districts for state transportation funding shall, to the greatest extent
6 practical, reflect the actual transportation activity of each district.

7 (3) (~~(\$15,000)~~) \$5,000 of the fiscal year 2002 appropriation and
8 (~~(\$20,000)~~) \$5,000 of the fiscal year 2003 appropriation are provided solely
9 for the transportation of students enrolled in "choice" programs.
10 Transportation shall be limited to low-income students who are transferring
11 to "choice" programs solely for educational reasons.

12 (4) Allocations for transportation of students shall be based on
13 reimbursement rates of (~~(\$37.11)~~) \$37.07 per weighted mile in the 2001-02
14 school year and (~~(\$37.38)~~) \$37.12 per weighted mile in the 2002-03 school
15 year exclusive of salary and benefit adjustments provided in section 504 of
16 this act. Allocations for transportation of students transported more than
17 one radius mile shall be based on weighted miles as determined by
18 superintendent of public instruction multiplied by the per mile
19 reimbursement rates for the school year pursuant to the formulas adopted by
20 the superintendent of public instruction. Allocations for transportation
21 of students living within one radius mile shall be based on the number of
22 enrolled students in grades kindergarten through five living within one
23 radius mile of their assigned school multiplied by the per mile
24 reimbursement rate for the school year multiplied by 1.29.

25 **Sec. 506.** 2001 2nd sp.s. c 7 s 507 (uncodified) is amended to read as
26 follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

| | |
|---|--------------------------------|
| 28 General Fund--State Appropriation (FY 2002) . . . \$ | ((419,264,000)) |
| 29 | <u>420,165,000</u> |
| 30 General Fund--State Appropriation (FY 2003) . . . \$ | ((420,644,000)) |
| 31 | <u>408,693,000</u> |
| 32 General Fund--Federal Appropriation \$ | ((256,092,000)) |
| 33 | <u>256,407,000</u> |
| 34 TOTAL APPROPRIATION \$ | ((1,096,000,000)) |
| 35 | <u>1,085,265,000</u> |

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

1 (1) Funding for special education programs is provided on an excess
2 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that
3 special education students as a class receive their full share of the
4 general apportionment allocation accruing through sections 502 and 504 of
5 this act. To the extent a school district cannot provide an appropriate
6 education for special education students under chapter 28A.155 RCW through
7 the general apportionment allocation, it shall provide services through the
8 special education excess cost allocation funded in this section.

9 (2)(a) Effective with the 2001-02 school year, the superintendent of
10 public instruction shall change the S-275 personnel reporting system and all
11 related accounting requirements to ensure that:

12 (i) Special education students are basic education students first;

13 (ii) As a class, special education students are entitled to the full
14 basic education allocation; and

15 (iii) Special education students are basic education students for the
16 entire school day.

17 (b) Effective with the 2001-02 school year, the S-275 and accounting
18 changes shall supercede any prior excess cost methodologies and shall be
19 required of all school districts.

20 (3) Each (~~(general fund--state)~~) fiscal year appropriation includes
21 such funds as are necessary to complete the school year ending in the fiscal
22 year and for prior fiscal year adjustments.

23 (4) The superintendent of public instruction shall distribute state
24 funds to school districts based on two categories: The optional birth
25 through age two program for special education eligible developmentally
26 delayed infants and toddlers, and the mandatory special education program
27 for special education eligible students ages three to twenty-one. A
28 "special education eligible student" means a student receiving specially
29 designed instruction in accordance with a properly formulated individualized
30 education program.

31 (5)(a) For the 2001-02 and 2002-03 school years, the superintendent
32 shall (~~(distribute state funds)~~) make allocations to each district based on
33 the sum of:

34 (i) A district's annual average headcount enrollment of developmentally
35 delayed infants and toddlers ages birth through two, multiplied by the
36 district's average basic education allocation per full-time equivalent
37 student, multiplied by 1.15; and

38 (ii) A district's annual average full-time equivalent basic education
39 enrollment multiplied by the funded enrollment percent determined pursuant

1 to subsection (6)(b) of this section, multiplied by the district's average
2 basic education allocation per full-time equivalent student multiplied by
3 0.9309.

4 (b) For purposes of this subsection, "average basic education
5 allocation per full-time equivalent student" for a district shall be based
6 on the staffing ratios required by RCW 28A.150.260 and shall not include
7 enhancements, secondary vocational education, or small schools.

8 (6) The definitions in this subsection apply throughout this section.

9 (a) "Annual average full-time equivalent basic education enrollment"
10 means the resident enrollment including students enrolled through choice
11 (RCW 28A.225.225) and students from nonhigh districts (RCW 28A.225.210) and
12 excluding students residing in another district enrolled as part of an
13 interdistrict cooperative program (RCW 28A.225.250).

14 (b) "Enrollment percent" means the district's resident special
15 education annual average enrollment, excluding the birth through age two
16 enrollment, as a percent of the district's annual average full-time
17 equivalent basic education enrollment.

18 (i) For the 2001-02 ((and the 2002-03)) school year((s)), each
19 district's funded enrollment percent shall be the lesser of the district's
20 actual enrollment percent ((for the school year for which the allocation is
21 being determined)) or 12.7 percent ((for the 2001-02 school year or 13.0
22 percent for the 2002-03 school year)).

23 (ii) For the 2002-03 school year, each district's general fund--state
24 funded special education enrollment shall be the lesser of the district's
25 actual enrollment percent or 12.7 percent. Increases in enrollment percent
26 from 12.7 percent to 13.0 percent shall be funded from the general
27 fund--federal appropriation.

28 (7) At the request of any interdistrict cooperative of at least 15
29 districts in which all excess cost services for special education students
30 of the districts are provided by the cooperative, the maximum enrollment
31 percent shall be ((12.7 percent for the 2001-02 school year and 13.0 percent
32 for the 2002-03 school year)) calculated in accordance with subsection
33 (6)(b) of this section, and shall be calculated in the aggregate rather than
34 individual district units. For purposes of this subsection, the average
35 basic education allocation per full-time equivalent student shall be
36 calculated in the aggregate rather than individual district units.

37 (8) Safety net funding shall be awarded by the state safety net
38 oversight committee subject to the following conditions and limitations

1 (a) A maximum of (~~(\$12,000,000)~~) \$8,500,000 of the general fund--state
2 appropriation and a maximum of \$3,500,000 of the general fund--federal
3 appropriation for fiscal year 2002 (~~(and a maximum of \$10,623,000 of the~~
4 ~~general fund--state appropriation for fiscal year 2003)~~) are provided as
5 safety net funding for districts with demonstrated needs for state special
6 education funding beyond the amounts provided in subsection (5) of this
7 section. (~~(Safety net funding shall be awarded by the state safety net~~
8 ~~oversight committee.~~

9 ~~(a))~~ (b) The safety net oversight committee shall first consider the
10 needs of districts adversely affected by the 1995 change in the special
11 education funding formula. Awards shall be based on the lesser of the
12 amount required to maintain the 1994-95 state special education excess cost
13 allocation to the school district in aggregate or on a dollar per funded
14 student basis.

15 ~~((b))~~ (c) The committee shall then consider unmet needs for districts
16 that can convincingly demonstrate that all legitimate expenditures for
17 special education exceed all available revenues from state funding formulas.
18 In the determination of need, the committee shall also consider additional
19 available revenues from federal and local sources. Differences in program
20 costs attributable to district philosophy, service delivery choice, or
21 accounting practices are not a legitimate basis for safety net awards.

22 ~~((c))~~ (d) The maximum allowable indirect cost for calculating safety
23 net eligibility may not exceed the federal restricted indirect cost rate for
24 the district plus one percent.

25 ~~((d))~~ (e) Safety net awards shall be adjusted based on the percent of
26 potential medicaid eligible students billed as calculated by the
27 superintendent in accordance with chapter 318, Laws of 1999.

28 ~~((e))~~ (f) Safety net awards must be adjusted for any audit findings
29 or exceptions related to special education funding.

30 ~~((f))~~ (g) The superintendent may expend up to \$120,000 (~~(per year)~~)
31 of the amounts provided in this subsection (8) to provide staff assistance
32 to the committee in analyzing applications for safety net funds received by
33 the committee.

34 (9) To the extent necessary, \$2,058,000 of the general fund--state
35 appropriation for fiscal year 2003 and \$10,815,000 of the general fund--
36 federal appropriation are provided for safety net awards for districts with
37 demonstrated needs for state special education funding beyond the amounts
38 provided in subsection (5) of this section. If safety net awards exceed the
39 amount appropriated in this subsection (9), the superintendent shall expend

1 all available federal discretionary funds necessary to meet this need.
2 Safety net funds shall be awarded by the state safety net oversight
3 committee subject to the following conditions and limitations:

4 (a) The committee shall consider unmet needs for districts that can
5 convincingly demonstrate that all legitimate expenditures for special
6 education exceed all available revenues from state funding formulas. In the
7 determination of need, the committee shall also consider additional
8 available revenues from federal and local sources. Differences in program
9 costs attributable to district philosophy, service delivery choice, or
10 accounting practices are not a legitimate basis for safety net awards.

11 (b) The committee shall then consider the extraordinary high cost needs
12 of one or more individual special education students. Differences in costs
13 attributable to district philosophy, service delivery choice, or accounting
14 practices are not a legitimate basis for safety net awards.

15 (c) The maximum allowable indirect cost for calculating safety net
16 eligibility may not exceed the federal restricted indirect cost rate for the
17 district plus one percent.

18 (d) Safety net awards shall be adjusted based on the percent of
19 potential medicaid eligible students billed as calculated by the
20 superintendent in accordance with chapter 318, Laws of 1999.

21 (e) Safety net awards must be adjusted for any audit findings or
22 exceptions related to special education funding.

23 (f) The superintendent may expend up to \$120,000 of the amount provided
24 from the general fund--federal appropriation in this subsection (9) to
25 provide staff assistance to the committee in analyzing applications for
26 safety net funds received by the committee.

27 ~~((+9))~~ (10) The superintendent of public instruction may adopt such
28 rules and procedures as are necessary to administer the special education
29 funding and safety net award process. Prior to revising any standards,
30 procedures, or rules, the superintendent shall consult with the office of
31 financial management and the fiscal committees of the legislature.

32 ~~((+10))~~ (11) The safety net oversight committee appointed by the
33 superintendent of public instruction shall consist of:

34 (a) One staff from the office of superintendent of public instruction;

35 (b) Staff of the office of the state auditor;

36 (c) Staff of the office of the financial management; and

37 (d) One or more representatives from school districts or educational
38 service districts knowledgeable of special education programs and funding.

1 (~~(11)~~) (12) To the extent necessary, (~~(\$5,500,000)~~) in fiscal year
2 2002, \$2,250,000 of the general fund--federal appropriation shall be
3 expended for safety net funding to meet the extraordinary needs of one or
4 more individual special education students. If safety net awards to meet
5 the extraordinary needs exceed (~~(\$5,500,000)~~) \$2,250,000 of the general
6 fund--federal appropriation, the superintendent shall expend all available
7 federal discretionary funds necessary to meet this need. General fund--
8 state funds shall not be expended for this purpose.

9 (~~(12)~~) (13) A maximum of \$678,000 may be expended from the general
10 fund--state appropriations to fund 5.43 full-time equivalent teachers and
11 2.1 full-time equivalent aides at children's orthopedic hospital and medical
12 center. This amount is in lieu of money provided through the home and
13 hospital allocation and the special education program.

14 (~~(13)~~) (14) \$1,000,000 of the general fund--federal appropriation is
15 provided for projects to provide special education students with appropriate
16 job and independent living skills, including work experience where possible,
17 to facilitate their successful transition out of the public school system.
18 The funds provided by this subsection shall be from federal discretionary
19 grants.

20 (~~(14)~~) (15) The superintendent shall maintain the percentage of
21 federal flow-through to school districts at 85 percent for the 2001-02
22 school year. For the 2002-03 school year, the superintendent shall allocate
23 the federal funds as specified in this section and shall adjust federal
24 flow-through funds accordingly. In addition to other purposes, school
25 districts may use increased federal funds for high-cost students, for
26 purchasing regional special education services from educational service
27 districts, and for staff development activities particularly relating to
28 inclusion issues.

29 (~~(15)~~) (16) A maximum of \$1,200,000 of the general fund--federal
30 appropriation may be expended by the superintendent for projects related to
31 use of inclusion strategies by school districts for provision of special
32 education services. The superintendent shall prepare an information
33 database on laws, best practices, examples of programs, and recommended
34 resources. The information may be disseminated in a variety of ways,
35 including workshops and other staff development activities.

36 (~~(16)~~) (17) A school district may carry over from one year to the
37 next year up to 10 percent of general fund--state funds allocated under this
38 program; however, carry over funds shall be expended in the special
39 education program.

1 (18) The superintendent of public instruction shall implement the
2 recommendations of the joint legislative audit and review committee study
3 on special education (report 01-11) only to the extent that funds have been
4 specifically provided therefor.

5 **Sec. 507.** 2001 2nd sp.s. c 7 s 508 (uncodified) is amended to read as
6 follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY EDUCATION**
8 **PROGRAMS**

| | | |
|----|--|----------------------------|
| 9 | General Fund--State Appropriation (FY 2002) . . . \$ | ((3,595,000)) |
| 10 | | <u>3,765,000</u> |
| 11 | General Fund--State Appropriation (FY 2003) . . . \$ | ((2,588,000)) |
| 12 | | <u>2,726,000</u> |
| 13 | TOTAL APPROPRIATION \$ | ((6,183,000)) |
| 14 | | <u>6,491,000</u> |

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

17 (1) The appropriations include such funds as are necessary to complete
18 the school year ending in each fiscal year and for prior fiscal year
19 adjustments.

20 (2) A maximum of \$253,000 of the fiscal year 2002 general fund
21 appropriation and a maximum of ((~~\$254,000~~)) \$246,000 of the fiscal year 2003
22 general fund appropriation may be expended for regional traffic safety
23 education coordinators.

24 (3) Allocations to provide tuition assistance for students eligible for
25 free and reduced price lunch who complete the program shall be a maximum of
26 \$203.97 per eligible student in the 2001-02 school year and \$197.85 in the
27 2002-03 school year((~~⸮~~)).

28 **Sec. 508.** 2001 2nd sp.s. c 7 s 509 (uncodified) is amended to read as
29 follows:

30 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
31 **DISTRICTS**

| | | |
|----|--|----------------------------|
| 32 | General Fund--State Appropriation (FY 2002) . . . \$ | ((4,768,000)) |
| 33 | | <u>4,757,000</u> |
| 34 | General Fund--State Appropriation (FY 2003) . . . \$ | ((4,768,000)) |
| 35 | | <u>4,561,000</u> |
| 36 | TOTAL APPROPRIATION \$ | ((9,536,000)) |

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

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) \$250,000 of the general fund appropriation for fiscal year ((2000)) 2002 and (((\$250,000)) \$243,000 of the general fund appropriation for fiscal year ((2001)) 2003 are provided solely for student teaching centers as provided in RCW 28A.415.100.

(3) A maximum of \$250,000 of the fiscal year 2002 general fund appropriation and a maximum of (((\$250,000)) \$243,000 of the fiscal year 2003 general fund appropriation are provided for centers for the improvement of teaching pursuant to RCW 28A.415.010.

Sec. 509. 2001 2nd sp.s. c 7 s 510 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTAN

| | |
|--|--------------------|
| General Fund--State Appropriation (FY 2002) . . . \$ | ((136,315,000)) |
| | <u>140,932,000</u> |
| General Fund--State Appropriation (FY 2003) . . . \$ | ((148,329,000)) |
| | <u>152,744,000</u> |
| TOTAL APPROPRIATION \$ | ((284,644,000)) |
| | <u>293,676,000</u> |

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

| | |
|--|-------------------|
| General Fund--State Appropriation (FY 2002) . . . \$ | ((19,133,000)) |
| | <u>19,073,000</u> |
| General Fund--State Appropriation (FY 2003) . . . \$ | ((19,115,000)) |
| | <u>18,553,000</u> |
| General Fund--Federal Appropriation \$ | 8,548,000 |
| TOTAL APPROPRIATION \$ | ((46,796,000)) |
| | <u>46,174,000</u> |

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

1 (1) Each general fund--state fiscal year appropriation includes such
2 funds as are necessary to complete the school year ending in the fiscal year
3 and for prior fiscal year adjustments.

4 (2) State funding provided under this section is based on salaries and
5 other expenditures for a 220-day school year. The superintendent of public
6 instruction shall monitor school district expenditure plans for
7 institutional education programs to ensure that districts plan for a full-
8 time summer program.

9 (3) State funding for each institutional education program shall be
10 based on the institution's annual average full-time equivalent student
11 enrollment. Staffing ratios for each category of institution shall remain
12 the same as those funded in the 1995-97 biennium.

13 (4) The funded staffing ratios for education programs for juveniles age
14 18 or less in department of corrections facilities shall be the same as
15 those provided in the 1997-99 biennium.

16 (5) \$141,000 of the general fund--state appropriation for fiscal year
17 2002 and \$139,000 of the general fund--state appropriation for fiscal year
18 2003 are provided solely to maintain at least one certificated instructional
19 staff and related support services at an institution whenever the K-12
20 enrollment is not sufficient to support one full-time equivalent
21 certificated instructional staff to furnish the educational program. The
22 following types of institutions are included: Residential programs under
23 the department of social and health services for developmentally disabled
24 juveniles, programs for juveniles under the department of corrections, and
25 programs for juveniles under the juvenile rehabilitation administrator

26 (6) Ten percent of the funds allocated for each institution may be
27 carried over from one year to the next.

28 **Sec. 511.** 2001 2nd sp.s. c 7 s 512 (uncodified) is amended to read as
29 follows:

30 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
31 **CAPABLE STUDENTS**

| | | |
|----|--|-----------------------------|
| 32 | General Fund--State Appropriation (FY 2002) . . . \$ | ((6,443,000)) |
| 33 | | <u>6,470,000</u> |
| 34 | General Fund--State Appropriation (FY 2003) . . . \$ | ((6,397,000)) |
| 35 | | <u>6,194,000</u> |
| 36 | TOTAL APPROPRIATION \$ | ((12,840,000)) |
| 37 | | <u>12,664,000</u> |

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

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

6 (2) Allocations for school district programs for highly capable
7 students shall be distributed at a maximum rate of (~~(\$328.10)~~) \$327.22 per
8 funded student for the 2001-02 school year and (~~(\$328.05)~~) \$310.75 per
9 funded student for the 2002-03 school year, exclusive of salary and benefit
10 adjustments pursuant to section 504 of this act. The number of funded
11 students shall be a maximum of two percent of each district's full-time
12 equivalent basic education enrollment.

13 (3) \$175,000 of the fiscal year 2002 appropriation and (~~(\$175,000)~~)
14 \$170,000 of the fiscal year 2003 appropriation are provided for the centrum
15 program at Fort Worden state park.

16 (4) \$93,000 of the fiscal year 2002 appropriation and (~~(\$93,000)~~)
17 \$90,000 of the fiscal year 2003 appropriation are provided for the
18 Washington imagination network and future problem-solving programs.

19 **Sec. 512.** 2001 2nd sp.s. c 7 s 513 (uncodified) is amended to read as
20 follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS PURPOSES**
22 **UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND THE NO CHILD**
23 **LEFT BEHIND ACT**

| | | | |
|----|---|----|------------------------------|
| 24 | General Fund--Federal Appropriation | \$ | ((288,166,000)) |
| 25 | | | <u>201,737,000</u> |

26 **Sec. 513.** 2001 2nd sp.s. c 7 s 514 (uncodified) is amended to read as
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

| | | | |
|----|---|----|-----------------------------|
| 29 | General Fund--State Appropriation (FY 2002) | \$ | ((35,882,000)) |
| 30 | | | <u>35,880,000</u> |
| 31 | General Fund--State Appropriation (FY 2003) | \$ | ((36,363,000)) |
| 32 | | | <u>23,123,000</u> |
| 33 | General Fund--Federal Appropriation | \$ | ((3,000,000)) |
| 34 | | | <u>60,571,000</u> |
| 35 | TOTAL APPROPRIATION | \$ | ((75,245,000)) |
| 36 | | | <u>119,574,000</u> |

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

3 (1) \$322,000 of the general fund--state appropriation for fiscal year
4 2002 and (~~(\$322,000)~~) \$312,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for the academic achievement and
6 accountability commission.

7 (2) \$11,209,000 of the general fund--state appropriation for fiscal
8 year 2002, (~~(\$10,872,000)~~) \$8,872,000 of the general fund--state
9 appropriation for fiscal year 2003, and (~~(\$3,000,000)~~) \$5,000,000 of the
10 general fund--federal appropriation are provided for development and
11 implementation of the Washington assessments of student learning. Up to
12 \$689,000 of the appropriation may be expended for data analysis and data
13 management of test results.

14 (3) \$1,095,000 of the fiscal year 2002 general fund--state
15 appropriation (~~(and \$1,095,000 of the fiscal year 2003 general fund--state~~
16 ~~appropriation are)~~) is provided solely for training of paraprofessional
17 classroom assistants and certificated staff who work with classroom
18 assistants as provided in RCW 28A.415.310.

19 (4) \$4,695,000 of the general fund--state appropriation for fiscal year
20 2002 (~~(and \$4,695,000 of the general fund--state appropriation for fiscal~~
21 ~~year 2003 are)~~) is provided solely for mentor teacher assistance, including
22 state support activities, under RCW 28A.415.250 and 28A.415.260, and for a
23 mentor academy. Up to \$200,000 of the amount in this subsection may be used
24 (~~(each fiscal year)~~) to operate a mentor academy to help districts provide
25 effective training for peer mentors. Funds for the teacher assistance
26 program shall be allocated to school districts based on the number of first
27 year beginning teachers.

28 (a) A teacher assistance program is a program that provides to a first
29 year beginning teacher peer mentor services that include but are not limited
30 to:

31 (i) An orientation process and individualized assistance to help
32 beginning teachers who have been hired prior to the start of the school year
33 prepare for the start of a school year;

34 (ii) The assignment of a peer mentor whose responsibilities to the
35 beginning teacher include but are not limited to constructive feedback, the
36 modeling of instructional strategies, and frequent meetings and other forms
37 of contact;

38 (iii) The provision by peer mentors of strategies, training, and
39 guidance in critical areas such as classroom management, student discipline,

1 curriculum management, instructional skill, assessment, communication
2 skills, and professional conduct. A district may provide these components
3 through a variety of means including one-on-one contact and workshops
4 offered by peer mentors to groups, including cohort groups, of beginning
5 teachers;

6 (iv) The provision of release time, substitutes, mentor training in
7 observation techniques, and other measures for both peer mentors and
8 beginning teachers, to allow each an adequate amount of time to observe the
9 other and to provide the classroom experience that each needs to work
10 together effectively;

11 (v) Assistance in the incorporation of the essential academic learning
12 requirements into instructional plans and in the development of complex
13 teaching strategies, including strategies to raise the achievement of
14 students with diverse learning styles and backgrounds; and

15 (vi) Guidance and assistance in the development and implementation of
16 a professional growth plan. The plan shall include a professional self-
17 evaluation component and one or more informal performance assessments. A
18 peer mentor may not be involved in any evaluation under RCW 28A.405.100 of
19 a beginning teacher whom the peer mentor has assisted through this program.

20 (b) In addition to the services provided in (a) of this subsection, an
21 eligible peer mentor program shall include but is not limited to the
22 following components:

23 (i) Strong collaboration among the peer mentor, the beginning teacher's
24 principal, and the beginning teacher;

25 (ii) Stipends for peer mentors and, at the option of a district, for
26 beginning teachers. The stipends shall not be deemed compensation for the
27 purposes of salary lid compliance under RCW 28A.400.200 and are not subject
28 to the continuing contract provisions of Title 28A RCW; and

29 (iii) To the extent that resources are available for this purpose and
30 that assistance to beginning teachers is not adversely impacted, the program
31 may serve second year and more experienced teachers who request the
32 assistance of peer mentors.

33 (5) \$2,025,000 of the general fund--state appropriation for fiscal year
34 2002 and (~~(\$2,025,000)~~) \$1,964,000 of the general fund--state appropriation
35 for fiscal year 2003 are provided for improving technology infrastructure,
36 monitoring and reporting on school district technology development,
37 promoting standards for school district technology, promoting statewide
38 coordination and planning for technology development, and providing regional
39 educational technology support centers, including state support activities,

1 under chapter 28A.650 RCW. The superintendent of public instruction shall
2 coordinate a process to facilitate the evaluation and provision of online
3 curriculum courses to school districts which includes the following:
4 Creation of a general listing of the types of available online curriculum
5 courses; a survey conducted by each regional educational technology support
6 center of school districts in its region regarding the types of online
7 curriculum courses desired by school districts; a process to evaluate and
8 recommend to school districts the best online courses in terms of
9 curriculum, student performance, and cost; and assistance to school
10 districts in procuring and providing the courses to students.

11 (6) \$3,600,000 of the general fund--state appropriation for fiscal year
12 2002 and (~~(\$3,600,000)~~) \$2,700,000 of the general fund--state appropriation
13 for fiscal year 2003 are provided for grants to school districts to provide
14 a continuum of care for children and families to help children become ready
15 to learn. Grant proposals from school districts shall contain local plans
16 designed collaboratively with community service providers. If a continuum
17 of care program exists in the area in which the school district is located,
18 the local plan shall provide for coordination with existing programs to the
19 greatest extent possible. Grant funds shall be allocated pursuant to RCW
20 70.190.040.

21 (7) \$2,500,000 of the general fund--state appropriation for fiscal year
22 2002 and \$2,500,000 of the general fund--state appropriation for fiscal year
23 2003 are provided solely for the meals for kids program under RCW
24 28A.235.145 through 28A.235.155.

25 (8) \$1,409,000 of the general fund--state appropriation for fiscal year
26 2002 (~~(and \$1,409,000 of the general fund--state appropriation for fiscal~~
27 ~~year 2003 are)~~) is provided solely for the leadership internship program for
28 superintendents, principals, and program administrators.

29 (9) \$1,828,000 of the general fund--state appropriation for fiscal year
30 2002 (~~(and \$1,828,000 of the general fund--state appropriation for fiscal~~
31 ~~year 2003 are)~~) is provided solely for the mathematics helping corps subject
32 to the following conditions and limitations:

33 (a) In order to increase the availability and quality of technical
34 mathematics assistance statewide, the superintendent of public instruction
35 shall employ mathematics school improvement specialists to provide
36 assistance to schools and districts. The specialists shall be hired by and
37 work under the direction of a statewide school improvement coordinator. The
38 mathematics improvement specialists shall serve on a rotating basis from one

1 to three years and shall not be permanent employees of the superintendent
2 of public instruction.

3 (b) The school improvement specialists shall provide the following:

4 (i) Assistance to schools to disaggregate student performance data and
5 develop improvement plans based on those data;

6 (ii) Consultation with schools and districts concerning their
7 performance on the Washington assessment of student learning and other
8 assessments emphasizing the performance on the mathematics assessments;

9 (iii) Consultation concerning curricula that aligns with the essential
10 academic learning requirements emphasizing the academic learning
11 requirements for mathematics, the Washington assessment of student learning,
12 and meets the needs of diverse learners;

13 (iv) Assistance in the identification and implementation of research-
14 based instructional practices in mathematics;

15 (v) Staff training that emphasizes effective instructional strategies
16 and classroom-based assessment for mathematics;

17 (vi) Assistance in developing and implementing family and community
18 involvement programs emphasizing mathematics; and

19 (vii) Other assistance to schools and school districts intended to
20 improve student mathematics learning.

21 (10) A maximum of \$500,000 of the general fund--state appropriation for
22 fiscal year 2002 and a maximum of (~~(\$500,000)~~) \$485,000 of the general
23 fund--state appropriation for fiscal year 2003 are provided for summer
24 accountability institutes offered by the superintendent of public
25 instruction and the academic achievement and accountability commission. The
26 institutes shall provide school district staff with training in the analysis
27 of student assessment data, information regarding successful district and
28 school teaching models, research on curriculum and instruction, and planning
29 tools for districts to improve instruction in reading, mathematics, language
30 arts, and guidance and counseling.

31 (11) \$3,930,000 of the general fund--state appropriation for fiscal
32 year 2002 and (~~(\$3,829,000)~~) \$3,714,000 of the general fund--state
33 appropriation for fiscal year 2003 are provided solely for the Washington
34 reading corps subject to the following conditions and limitations:

35 (a) Grants shall be allocated to schools and school districts to
36 implement proven, research-based mentoring and tutoring programs in reading
37 for low-performing students in grades K-6. If the grant is made to a school
38 district, the principals of schools enrolling targeted students shall be
39 consulted concerning design and implementation of the program.

1 (b) The programs may be implemented before, after, or during the
2 regular school day, or on Saturdays, summer, intercessions, or other
3 vacation periods.

4 (c) Two or more schools may combine their Washington reading corps
5 programs.

6 (d) A program is eligible for a grant if it meets the following
7 conditions:

8 (i) The program employs methods of teaching and student learning based
9 on reliable reading/literacy research and effective practices;

10 (ii) The program design is comprehensive and includes instruction, on-
11 going student assessment, professional development, parental/community
12 involvement, and program management aligned with the school's reading
13 curriculum;

14 (iii) It provides quality professional development and training for
15 teachers, staff, and volunteer mentors and tutors;

16 (iv) It has measurable goals for student reading aligned with the
17 essential academic learning requirements; and

18 (v) It contains an evaluation component to determine the effectiveness
19 of the program.

20 (e) Funding priority shall be given to low-performing schools.

21 (f) Beginning and end-of-program testing data shall be available to
22 determine the effectiveness of funded programs and practices. Common
23 evaluative criteria across programs, such as grade-level improvements shall
24 be available for each reading corps program. The superintendent of public
25 instruction shall provide program evaluations to the governor and the
26 appropriate committees of the legislature. Administrative and evaluation
27 costs may be assessed from the annual appropriation for the program.

28 (g) Grants provided under this section may be used by schools and
29 school districts for expenditures from September 2001 through August 31,
30 2003.

31 (12) (~~(\$377,000)~~) \$375,000 of the general fund--state appropriation for
32 fiscal year 2002 and (~~(\$701,000)~~) \$655,000 of the general fund--state
33 appropriation for fiscal year 2003 are provided solely for salary bonuses
34 for teachers who attain certification by the national board for professional
35 teaching standards.

36 (~~(b)~~) (a) In the 2002-03 school year, teachers who have attained
37 certification by the national board in the 2000-01 school year or the 2001-
38 02 school year or the 2002-03 school year shall receive an annual bonus not
39 to exceed \$3,500.

1 (~~(c)~~) (b) The annual bonus shall be paid in a lump sum amount and
2 shall not be included in the definition of "earnable compensation" under RCW
3 41.32.010(10).

4 (~~(d)~~) (c) It is the intent of the legislature that teachers achieving
5 certification by the national board of professional teaching standards will
6 receive no more than three annual bonus payments for attaining certification
7 by the national board.

8 (13) \$625,000 of the general fund--state appropriation for fiscal year
9 2002 (~~and \$625,000 of the general fund--state appropriation for fiscal year~~
10 ~~2003 are~~) is provided for a principal support program. The office of the
11 superintendent of public instruction may contract with an independent
12 organization to administer the program. The program shall include: (a)
13 Development of an individualized professional growth plan for a new
14 principal or principal candidate; and (b) participation of a mentor
15 principal who works over a period of between one and three years with the
16 new principal or principal candidate to help him or her build the skills
17 identified as critical to the success of the professional growth plan.

18 (14) \$71,000 of the general fund--state appropriation for fiscal year
19 2002 and \$71,000 of the general fund--state appropriation for fiscal year
20 2003 are provided solely for the second grade reading test. The funds shall
21 be expended for assessment training for new second grade teachers and
22 replacement of assessment materials.

23 (15) \$384,000 of the general fund--state appropriation for fiscal year
24 2002 (~~and \$384,000 of the general fund--state appropriation for fiscal year~~
25 ~~2003 are~~) is provided for the superintendent to assist schools in
26 implementing high academic standards, aligning curriculum with these
27 standards, and training teachers to use assessments to improve student
28 learning. Funds may also be used to increase community and parental
29 awareness of education reform.

30 (16) \$130,000 of the general fund--state appropriation for fiscal year
31 2002 and (~~(\$130,000)~~) \$126,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided for the development and posting of web-based
33 instructional tools, assessment data, and other information that assists
34 schools and teachers implementing higher academic standards.

35 (17) \$1,000,000 of the general fund--state appropriation for fiscal
36 year 2002 and (~~(\$1,800,000)~~) \$1,746,000 of the general fund--state
37 appropriation for fiscal year 2003 are provided solely to the office of the
38 superintendent of public instruction for focused assistance. The office of
39 the superintendent of public instruction shall conduct educational audits

1 of low-performing schools and enter into performance agreements between
 2 school districts and the office to implement the recommendations of the
 3 audit and the community. Of the amounts provided, \$219,000 of the fiscal
 4 year 2002 appropriation and (~~(\$207,000)~~) \$201,000 of the fiscal year 2003
 5 appropriation are provided to the office of the superintendent of public
 6 instruction for the administrative duties arising under this subsection.
 7 Each educational audit shall include recommendations for best practices and
 8 ways to address identified needs and shall be presented to the community in
 9 a public meeting to seek input on ways to implement the audit and its
 10 recommendations.

11 (18) \$100,000 of the general fund--state appropriation for fiscal year
 12 2002 is provided solely for grants to school districts to adopt or revise
 13 district-wide and school-level plans to achieve performance improvement
 14 goals established under RCW 28A.655.030, and to post a summary of the
 15 improvement plans on district websites using a common format provided by the
 16 office of the superintendent of public instruction.

17 (19) \$100,000 of the general fund--state appropriation for fiscal year
 18 2002 is provided solely for recognition plaques for schools that
 19 successfully met the fourth grade reading improvement goal established under
 20 RCW 28A.655.050.

21 **Sec. 514.** 2001 2nd sp.s. c 7 s 515 (uncodified) is amended to read as
 22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL**
 24 **PROGRAMS**

| | | |
|----|---|-----------------------------|
| 25 | General Fund--State Appropriation (FY 2002) . . . \$ | ((43,044,000)) |
| 26 | | <u>42,767,000</u> |
| 27 | General Fund--State Appropriation (FY 2003) . . . \$ | ((45,171,000)) |
| 28 | | <u>44,407,000</u> |
| 29 | <u>General Fund--Federal Appropriation (FY 2003) . . . \$</u> | <u>20,280,000</u> |
| 30 | TOTAL APPROPRIATION \$ | ((88,215,000)) |
| 31 | | <u>107,454,000</u> |

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

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

1 (2) The superintendent shall distribute a maximum of (~~(\$687.19)~~)
2 \$684.36 per eligible bilingual student in the 2001-02 school year and
3 (~~(\$687.19)~~) \$668.58 in the 2002-03 school year, exclusive of salary and
4 benefit adjustments provided in section 504 of this act.

5 (3) The superintendent may withhold up to \$295,000 in school year 2001-
6 02 and up to \$268,000 in school year 2002-03, and adjust the per eligible
7 pupil rates in subsection (2) of this section accordingly, for the central
8 provision of assessments as provided in section 2(1) and (2) of Engrossed
9 Second Substitute House Bill No. 2025.

10 (4) \$70,000 of the amounts appropriated in this section are provided
11 solely to develop a system for the tracking of current and former
12 transitional bilingual program students.

13 (5) Sufficient funding is provided to implement Engrossed Second
14 Substitute House Bill No. 2025 (schools/bilingual instruction).

15 **Sec. 515.** 2001 2nd sp.s. c 7 s 516 (uncodified) is amended to read as
16 follows:

17 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING ASSISTANCE**
18 **PROGRAM**

| | | |
|----|---|------------------------------|
| 19 | General Fund--State Appropriation (FY 2002) . . . \$ | ((70,593,000)) |
| 20 | | <u>71,342,000</u> |
| 21 | General Fund--State Appropriation (FY 2003) . . . \$ | ((68,817,000)) |
| 22 | | <u>64,400,000</u> |
| 23 | <u>General Fund--Federal Appropriation (FY 2003) . . . \$</u> | <u>130,631,000</u> |
| 24 | TOTAL APPROPRIATION \$ | ((139,410,000)) |
| 25 | | <u>266,373,000</u> |

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

28 (1) Each general fund--state fiscal year appropriation includes such
29 funds as are necessary to complete the school year ending in the fiscal year
30 and for prior fiscal year adjustments.

31 (2) Funding for school district learning assistance programs shall be
32 allocated at maximum rates of (~~(\$408.38)~~) \$407.39 per funded unit for the
33 2001-02 school year and (~~(\$409.41)~~) \$403.06 per funded unit for the 2002-03
34 school year exclusive of salary and benefit adjustments provided under
35 section 504 of this act.

36 (3) For purposes of this section, "test results" refers to the district
37 results from the norm-referenced test administered in the specified grade

1 level. The norm-referenced test results used for the third and sixth grade
2 calculations shall be consistent with the third and sixth grade tests
3 required under RCW 28A.230.190 and 28A.230.193.

4 (4) A school district's general fund--state funded units for the 2001-
5 02 (~~(and 2002-03)~~) school year(~~(s)~~) shall be the sum of the following:

6 (a) The district's full-time equivalent enrollment in grades K-6,
7 multiplied by the 5-year average 4th grade lowest quartile test results as
8 adjusted for funding purposes in the school years prior to 1999-2000,
9 multiplied by 0.92. As the 3rd grade test becomes available, it shall be
10 phased into the 5-year average on a 1-year lag; and

11 (b) The district's full-time equivalent enrollment in grades 7-9,
12 multiplied by the 5-year average 8th grade lowest quartile test results as
13 adjusted for funding purposes in the school years prior to 1999-2000,
14 multiplied by 0.92. As the 6th grade test becomes available, it shall be
15 phased into the 5-year average for these grades on a 1-year lag; and

16 (c) The district's full-time equivalent enrollment in grades 10-11
17 multiplied by the 5-year average 11th grade lowest quartile test results,
18 multiplied by 0.92. As the 9th grade test becomes available, it shall be
19 phased into the 5-year average for these grades on a 1-year lag; and

20 (d) If, in the prior school year, the district's percentage of October
21 headcount enrollment in grades K-12 eligible for free and reduced price
22 lunch exceeded the state average, subtract the state average percentage of
23 students eligible for free and reduced price lunch from the district's
24 percentage and multiply the result by the district's K-12 annual average
25 full-time equivalent enrollment for the current school year multiplied by
26 22.3 percent.

27 (5) (a) A school district's general fund--state funded units for the
28 2002-03 school year shall be the sum of the following:

29 (i) The district's full-time equivalent enrollment in grades K-6,
30 multiplied by the 5-year average 4th grade lowest quartile test results as
31 adjusted for funding purposes in the school years prior to 1999-2000,
32 multiplied by 0.82. As the 3rd grade test becomes available, it shall be
33 phased into the 5-year average on a 1-year lag;

34 (ii) The district's full-time equivalent enrollment in grades 7-9,
35 multiplied by the 5-year average 8th grade lowest quartile test results as
36 adjusted for funding purposes in the school years prior to 1999-2000,
37 multiplied by 0.82. As the 6th grade test becomes available, it shall be
38 phased into the 5-year average for these grades on a 1-year lag; and

1 (iii) The district's full-time equivalent enrollment in grades 10-11
2 multiplied by the 5-year average 11th grade lowest quartile test results,
3 multiplied by 0.82. As the 9th grade test becomes available, it shall be
4 phased into the 5-year average for these grades on a 1-year lag; and

5 (iv) If, in the prior school year, the district's percentage of October
6 headcount enrollment in grades K-12 eligible for free and reduced price
7 lunch exceeded the state average, subtract the state average percentage of
8 students eligible for free and reduced price lunch from the district's
9 percentage and multiply the result by the district's K-12 annual average
10 full-time equivalent enrollment for the current school year multiplied by
11 22.3 percent.

12 (b) In addition to amounts allocated under (a) of this subsection, the
13 superintendent shall provide additional amounts as follows:

14 (i) For school districts receiving less than a 3.0 percent increase in
15 federal Title I Part A (basic program) funds, the multiplier in (a)(i),
16 (ii), and (iii) of this subsection shall be .92;

17 (ii) For school districts not eligible for additional funds under
18 (b)(i) of this subsection, and whose effective increase in federal Title I
19 Part A (basic program) funds is less than 3.0 percent after taking into
20 account the change in the multiplier from .92 to .82, an additional amount
21 to provide a 3.0 percent increase.

22 (6) School districts may carry over from one year to the next up to 10
23 percent of general fund--state funds allocated under this program; however,
24 carryover funds shall be expended for the learning assistance program.

25 **Sec. 516.** 2001 2nd sp.s. c 7 s 517 (uncodified) is amended to read as
26 follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

| | | |
|----|--|-------------------|
| 28 | General Fund--State Appropriation (FY 2002) . . \$ | ((19,515,000)) |
| 29 | | <u>19,663,000</u> |
| 30 | General Fund--State Appropriation (FY 2003) . . \$ | ((17,516,000)) |
| 31 | | <u>3,541,000</u> |
| 32 | TOTAL APPROPRIATION \$ | ((37,031,000)) |
| 33 | | <u>23,204,000</u> |

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

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

4 (2) Funds are provided for local education program enhancements to meet
5 educational needs as identified by the school district, including
6 alternative education programs.

7 (3) Allocations for the 2001-02 school year shall be at a maximum
8 annual rate of \$18.48 per full-time equivalent student (~~(and \$18.48 per~~
9 ~~full-time equivalent student for the 2002-03 school year)~~). Allocations
10 shall be made on the monthly apportionment payment schedule provided in RCW
11 28A.510.250 and shall be based on school district annual average full-time
12 equivalent enrollment in grades kindergarten through twelve: PROVIDED, That
13 for school districts enrolling not more than one hundred average annual
14 full-time equivalent students, and for small school plants within any school
15 district designated as remote and necessary schools, the allocations shall
16 be as follows:

17 (a) Enrollment of not more than sixty average annual full-time
18 equivalent students in grades kindergarten through six shall generate
19 funding based on sixty full-time equivalent students;

20 (b) Enrollment of not more than twenty average annual full-time
21 equivalent students in grades seven and eight shall generate funding based
22 on twenty full-time equivalent students; and

23 (c) Enrollment of not more than sixty average annual full-time
24 equivalent students in grades nine through twelve shall generate funding
25 based on sixty full-time equivalent students.

26 (4) Funding provided pursuant to this section does not fall within the
27 definition of basic education for purposes of Article IX of the state
28 Constitution and the state's funding duty thereunder.

29 (5) The superintendent shall not allocate up to one-fourth of a
30 district's funds under this section if:

31 (a) The district is not maximizing federal matching funds for medical
32 services provided through special education programs, pursuant to RCW
33 74.09.5241 through 74.09.5256 (Title XIX funding); or

34 (b) The district is not in compliance in filing truancy petitions as
35 required under chapter 312, Laws of 1995 and RCW 28A.225.030.

36 NEW SECTION. Sec. 517. A new section is added to 2001 2nd sp.s. c 7
37 (uncodified) to read as follows:

38 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--STATE FLEXIBLE EDUCATION FUNDS**

1 General Fund--State Appropriation (FY 2003) . . \$ 34,436,000

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

4 (1) State flexible education funds for the 2002-03 school year shall be
5 allocated at a maximum rate of \$36.00 per full-time equivalent student in
6 grades K-12. For the purpose of this section, "FTE student" refers to the
7 annual average full-time equivalent enrollment of the school district in
8 grades kindergarten through twelve for the prior school year. The funds
9 shall be distributed to school districts at ten percent per month for the
10 months of September through June.

11 (2) Funds are provided for local education program enhancements to
12 improve student learning as identified by each school district, including
13 the following programs: Alternative education programs; paraprofessional
14 training; mentor/beginning teacher assistance; principal assessment and
15 mentorships; superintendent and principal internships; mathematics helping
16 corps; anti-bullying/harassment training; nonviolence leadership training;
17 nursing support; school safety and school safety training; school safety
18 center; Teen Aware; truancy; LASER science program; Cispus; contracting with
19 educational centers; Pacific Science Center programs; civil liberties
20 education; World War II oral history project; and extended day skills
21 center.

22 (3) Funds provided under this section shall not be used for salary
23 increases or additional compensation for existing teaching duties.

24 (4) Funding provided under this section does not fall within the
25 definition of basic education for purposes of Article IX of the state
26 Constitution.

27 **Sec. 518.** 2001 2nd sp.s. c 7 s 519 (uncodified) is amended to read as
28 follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**
30 **PROGRAM**

| | |
|--------------------------------------|---------------------------------|
| 31 Student Achievement Fund--State | |
| 32 Appropriation (FY 2002) | \$ ((184,232,000)) |
| 33 | <u>180,837,000</u> |
| 34 Student Achievement Fund--State | |
| 35 Appropriation (FY 2003) | \$ ((209,068,000)) |
| 36 | <u>210,312,000</u> |
| 37 TOTAL APPROPRIATION | \$ ((393,300,000)) |

1

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

4 (1) The appropriation is allocated for the following uses as specified
5 in chapter 28A.505 RCW as amended by chapter 3, Laws of 2001 (Initiative
6 Measure No. 728):

7 (a) To reduce class size by hiring certificated elementary classroom
8 teachers in grades K-4 and paying nonemployee-related costs associated with
9 those new teachers;

10 (b) To make selected reductions in class size in grades 5-12, such as
11 small high school writing classes;

12 (c) To provide extended learning opportunities to improve student
13 academic achievement in grades K-12, including, but not limited to, extended
14 school year, extended school day, before-and-after-school programs, special
15 tutoring programs, weekend school programs, summer school, and all-day
16 kindergarten;

17 (d) To provide additional professional development for educators
18 including additional paid time for curriculum and lesson redesign and
19 alignment, training to ensure that instruction is aligned with state
20 standards and student needs, reimbursement for higher education costs
21 related to enhancing teaching skills and knowledge, and mentoring programs
22 to match teachers with skilled, master teachers. The funding shall not be
23 used for salary increases or additional compensation for existing teaching
24 duties, but may be used for extended year and extend day teaching contracts;

25 (e) To provide early assistance for children who need prekindergarten
26 support in order to be successful in school; or

27 (f) To provide improvements or additions to school building facilities
28 which are directly related to the class size reductions and extended
29 learning opportunities under (a) through (c) of this subsection.

30 (2) Funding for school district student achievement programs shall be
31 allocated at a maximum rate of (~~(\$193.92)~~) \$190.19 per FTE student for the
32 2001-02 school year and (~~(\$220.59)~~) \$219.84 per FTE student for the 2002-03
33 school year. For the purposes of this section and in accordance with (~~RCW~~
34 ~~84.52.---~~ (~~section 5 of Initiative Measure No. 728~~)) RCW 84.52.068, FTE
35 student refers to the annual average full-time equivalent enrollment of the
36 school district in grades kindergarten through twelve for the prior school
37 year.

1 (3) The office of the superintendent of public instruction shall
2 distribute ten percent of the annual allocation to districts each month for
3 the months of September through June.

4 **Sec. 519.** 2001 2nd sp.s. c 7 s 521 (uncodified) is amended to read as
5 follows:

6 **FOR THE STATE BOARD OF EDUCATION**

| | | |
|----|---------------------------------------|---------------------------------|
| 7 | Education Savings Account--State | |
| 8 | Appropriation | \$ ((36,720,000)) |
| 9 | | <u>36,656,000</u> |
| 10 | Education Construction Account--State | |
| 11 | Appropriation | \$ 154,500,000 |
| 12 | TOTAL APPROPRIATION | \$ ((191,220,000)) |
| 13 | | <u>191,156,000</u> |

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

16 (1) ((~~\$18,000,000~~)) \$17,936,000 in fiscal year 2002 and \$18,720,000 in
17 fiscal year 2003 of the education savings account appropriation shall be
18 deposited in the common school construction account.

19 (2) \$154,500,000 of the education construction account appropriation
20 shall be deposited in the common school construction account.

21 (End of part)

1 (d) The community and technical colleges shall provide to academic
2 employees, exempt professional staff, and academic administrators an average
3 salary increase of 3.7 percent on July 1, 2001. Funds are also provided for
4 salary increases for (~~these groups on July 1, 2002, in a percentage amount~~
5 ~~to be determined by the 2002 legislature and, in the case of~~) community
6 college academic employees and technical college employees, consistent with
7 the provisions of Initiative 732.

8 (e) For employees under the jurisdiction of chapter 41.56 RCW pursuant
9 to the provisions of RCW 28B.16.015 and 28B.50.874(1), distribution of the
10 salary increases will be in accordance with the applicable collective
11 bargaining agreement. However, an increase shall not be provided to any
12 classified employee whose salary is above the approved salary range maximum
13 for the class to which the employee's position is allocated.

14 (f) Each institution of higher education receiving appropriations under
15 sections 604 through 609 of this act may provide additional salary increases
16 to instructional and research faculty, exempt professional staff, academic
17 administrators, academic librarians, counselors, teaching and research
18 assistants, as classified by the office of financial management, and all
19 other nonclassified staff, but not including employees under RCW 28B.16.015.
20 Any salary increase granted under the authority of this subsection (2)(f)
21 or accomplished with local, nonstate funds under the collective bargaining
22 provisions of either (i) Substitute Senate Bill No. 6440 or Substitute House
23 Bill No. 2403, or (ii) Substitute Senate Bill No. 6403 or Substitute House
24 Bill No. 2540, shall not be included in an institution's salary base. It
25 is the intent of the legislature that general fund--state support for an
26 institution shall not increase during the current or any future biennium as
27 a result of any salary increases authorized under this subsection (2)(f) or
28 under rights granted to award additional compensation with local, nonstate
29 funds under the collective bargaining provisions of Substitute Senate Bill
30 No. 6440, Substitute House Bill No. 2403, Substitute Senate Bill No. 6403,
31 or Substitute House Bill No. 2540.

32 (g) To collect consistent data for use by the legislature, the office
33 of financial management, and other state agencies for policy and planning
34 purposes, institutions of higher education shall report personnel data to
35 be used in the department of personnel's human resource data warehouse in
36 compliance with uniform reporting procedures established by the department
37 of personnel.

38 (h) Specific salary increases authorized in sections 603 through 609 of
39 this act are in addition to any salary increase provided in this subsection.

1 (3) The tuition fees, as defined in chapter 28B.15 RCW, charged to
2 full-time resident students at the state's institutions of higher education
3 for 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 community
6 and technical colleges as provided in this subsection.

7 (a) For the 2001-02 academic year, the governing boards and the state
8 board may implement an increase no greater than six and seven-tenths percent
9 over tuition fees charged to full-time students for the 2000-01 academic
10 year.

11 (b)(i) For the 2002-03 academic year, the governing boards of the state
12 universities may implement an increase no greater than fourteen percent over
13 tuition fees charged to full-time students for the 2001-02 academic year,
14 except as provided in (d) and (g) of this subsection.

15 (ii) For the 2002-03 academic year, the governing boards of the
16 regional universities and The Evergreen State College may implement an
17 increase no greater than ten percent over tuition fees charged to full-time
18 students for the 2001-02 academic year, except as provided in (d) and (g)
19 of this subsection.

20 (iii) For the 2002-03 academic year, the ((governing boards and the))
21 state board may implement an increase no greater than ((six and one-tenth))
22 seven percent over the tuition fees charged to full-time students for the
23 2001-02 academic year except as provided in (g) of this subsection.

24 (c) For the 2001-02 academic year, the governing boards may implement
25 an increase for law and graduate business programs no greater than twelve
26 percent over tuition fees charged to law and graduate business students for
27 the 2000-01 academic year, except as provided in (e) of this subsection.

28 ~~(d) For the 2002-03 academic year, ((the governing boards may implement~~
29 ~~an increase for law and graduate business programs no greater than twelve~~
30 ~~percent over tuition fees charged to law and graduate business students for~~
31 ~~the 2001-02 academic year, except as provided in (f) of this subsection))~~
32 tuition fees for all graduate, law, and professional programs may exceed the
33 limits specified in (b) of this subsection. Tuition increases adopted under
34 this subsection need not apply uniformly across student categories as
35 defined in chapter 28B.15 RCW and may vary by discipline and degree.

36 (e) For the 2001-02 academic year, the governing boards of the
37 University of Washington may implement an increase for graduate business
38 programs no greater than 15 percent over tuition fees charged to graduate
39 business students for the 2000-01 academic year.

1 (f) (~~For the 2002-03 academic year, the governing boards of the~~
2 ~~University of Washington may implement an increase for graduate business~~
3 ~~programs no greater than 20 percent over tuition fees charged to graduate~~
4 ~~business students for the 2001-02 academic year.~~

5 ~~(g))~~ For the 2001-02 and the 2002-03 academic years, the state board
6 for community and technical colleges may increase fees differentially based
7 on student credit hour load, but the percentage increase for students taking
8 fifteen or fewer credits shall not exceed the limits in subsection (3)(a)
9 and (b)(iii) of this section.

10 (g) For the 2002-03 academic year, governing boards and the state board
11 for community and technical colleges may charge full-time tuition of
12 students who register for 9 credit hours a term even if the increases exceed
13 limits specified in (b) of this subsection.

14 (h) For the 2001-03 biennium, the governing boards and the state board
15 may adjust full-time operating fees for factors that may include time of day
16 and day of week, as well as delivery method and campus, to encourage full
17 use of the state's educational facilities and resources.

18 (i) The tuition increases adopted under (a), (~~(b), (g)~~) (f), and (h)
19 of this subsection need not apply uniformly across student categories as
20 defined in chapter 28B.15 RCW so long as the increase for each student
21 category does not exceed the percentages specified in this subsection.

22 (4) The tuition fees, as defined in chapter 28B.15 RCW, charged to
23 full-time nonresident students at the state's institutions of higher
24 education for the 2001-02 and the 2002-03 academic years, other than summer
25 term, may be adjusted by governing boards of the state universities,
26 regional universities, The Evergreen State College, and the state board for
27 community and technical colleges.

28 (5) In addition to waivers granted under the authority of RCW
29 28B.15.910, the governing boards and the state board may waive all or a
30 portion of the operating fees for any student. State general fund
31 appropriations shall not be provided to replace tuition and fee revenue
32 foregone as a result of waivers granted under this subsection.

33 ~~((5))~~ (6) Pursuant to RCW (~~(43.15.055)~~) 43.135.055, institutions of
34 higher education receiving appropriations under sections 603 through 609 of
35 this act are authorized to increase summer term tuition in excess of the
36 fiscal growth factor during the 2001-03 biennium. Tuition levels increased
37 pursuant to this subsection shall not exceed the per credit hour rate
38 calculated from the academic year tuition levels adopted under this act

| | Annual Average | Annual Average |
|----------------------------------|-------------------|--------------------------|
| 1 University of Washington | | |
| 2 | | |
| 3 | | |
| 4 Main campus | 32,321 | 32,427 |
| 5 Bothell branch | 1,169 | 1,235 |
| 6 Tacoma branch | 1,330 | 1,484 |
| 7 Washington State University | | |
| 8 Main campus | 17,332 | 17,332 |
| 9 Spokane branch | 551 | 593 |
| 10 Tri-Cities branch | 616 | 616 |
| 11 Vancouver branch | 1,071 | 1,153 |
| 12 Central Washington University | 7,470 | 7,470 |
| 13 Eastern Washington University | 7,933 | 8,017 |
| 14 The Evergreen State College | 3,754 | 3,837 |
| 15 Western Washington University | 10,976 | 11,126 |
| 16 State Board for Community and | | |
| 17 Technical Colleges | 125,082 | ((126,902)) |
| 18 | | <u>127,902</u> |

19 When allocating newly budgeted enrollments, each institution of higher
20 education shall give priority to high demand fields, including but not
21 limited to technology, health professions, and education. At the end of
22 each fiscal year, each institution of higher education and the state board
23 for community and technical colleges shall submit a report to the higher
24 education coordinating board detailing how newly budgeted enrollments have
25 been allocated.

26 **Sec. 603.** 2001 2nd sp.s. c 7 s 603 (uncodified) is amended to read as
27 follows:

| | | |
|--|------------------------------|--------------------|
| 28 FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES | | |
| 29 General Fund--State Appropriation (FY 2002) . . . \$ | ((514,399,000)) | |
| 30 | | <u>514,141,000</u> |
| 31 General Fund--State Appropriation (FY 2003) . . . \$ | ((543,731,000)) | |
| 32 | | <u>520,469,000</u> |
| 33 General Fund--Federal Appropriation \$ | | 11,404,000 |
| 34 Education Savings Account--State | | |
| 35 Appropriation \$ | | 4,500,000 |

1 2003 are provided solely for allocation to twelve college districts
2 identified in (a) through (l) of this subsection to prepare students for
3 transfer to the state technology institute at the Tacoma branch campus of
4 the University of Washington. The appropriations in this section are
5 intended to supplement, not supplant, general enrollment allocations by the
6 board to the districts under (a) through (l) of this subsection:

- 7 (a) Bates Technical College;
- 8 (b) Bellevue Community College;
- 9 (c) Centralia Community College;
- 10 (d) Clover Park Community College;
- 11 (e) Grays Harbor Community College;
- 12 (f) Green River Community College;
- 13 (g) Highline Community College;
- 14 (h) Tacoma Community College;
- 15 (i) Olympic Community College;
- 16 (j) Pierce District;
- 17 (k) Seattle District; and
- 18 (l) South Puget Sound Community College.

19 (6) \$28,761,000 of the general fund--state appropriation for fiscal
20 year 2002 and (~~(\$28,761,000)~~) \$32,161,000 of the general fund--state
21 appropriation for fiscal year 2003 and the entire administrative contingency
22 account appropriation are provided solely as special funds for training and
23 related support services, including financial aid, as specified in chapter
24 226, Laws of 1993 (employment and training for unemployed workers).

25 (a) Funding is provided to support up to 7,200 full-time equivalent
26 students in (~~each~~) fiscal year 2002 and up to 8,200 full-time equivalent
27 students in fiscal year 2003.

28 (b) In directing these resources during the 2001-03 biennium, the state
29 board for community and technical colleges shall give considerable attention
30 to the permanent dislocation of workers from industries facing rapidly
31 rising energy costs, such as direct service industries.

32 (7) \$1,000,000 of the general fund--state appropriation for fiscal year
33 2002 and \$1,000,000 of the general fund--state appropriation for fiscal year
34 2003 are provided solely for tuition support for students enrolled in work-
35 based learning programs.

36 (8) \$567,000 of the general fund--state appropriation for fiscal year
37 2002 and \$568,000 of the general fund--state appropriation for fiscal year
38 2003 are provided solely for administration and customized training
39 contracts through the job skills program.

1 (9) \$50,000 of the general fund--state appropriation for fiscal year
2 2002 and \$50,000 of the general fund--state appropriation for fiscal year
3 2003 are solely for higher education student child care matching grants
4 under chapter 28B.135 RCW.

5 (10) \$212,000 of the general fund--state appropriation for fiscal year
6 2002 and \$212,000 of the general fund--state appropriation for fiscal year
7 2003 are provided for allocation to Olympic college. The college shall
8 contract with accredited baccalaureate institution(s) to bring a program of
9 upper-division courses to Bremerton. Funds provided are sufficient to
10 support at least 30 additional annual full-time equivalent students. The
11 state board for community and technical colleges shall report to the office
12 of financial management and the fiscal and higher education committees of
13 the legislature on the implementation of this subsection by December 1st of
14 each fiscal year.

15 (11) The entire education savings account appropriation is provided
16 solely to support the development of a multicollege student-centered online
17 service center for distance learners, including self-service internet
18 applications and staff support 24 hours per day. Moneys may be allocated
19 by the office of financial management upon certification that sufficient
20 cash is available beyond the appropriations made for the 2001-03 biennium
21 for the purposes of common school construction.

22 (12) \$7,000,000 of the general fund--state appropriation for fiscal
23 year 2003 and the entire college faculty awards trust account appropriation
24 are provided solely for the purposes of the settlement costs of Mader v.
25 State litigation regarding retirement contributions on behalf of part-time
26 faculty.

27 **Sec. 604.** 2001 2nd sp.s. c 7 s 604 (uncodified) is amended to read as
28 follows:

29 **FOR UNIVERSITY OF WASHINGTON**

| | |
|---|--------------------|
| 30 General Fund--State Appropriation (FY 2002) . . . \$ | ((345,974,000)) |
| 31 | <u>345,904,000</u> |
| 32 General Fund--State Appropriation (FY 2003) . . . \$ | ((361,114,000)) |
| 33 | <u>323,185,000</u> |
| 34 Death Investigations Account--State | |
| 35 Appropriation \$ | ((259,000)) |
| 36 | <u>258,000</u> |
| 37 University of Washington Building Account-- | |
| 38 State Appropriation \$ | 1,103,000 |

| | | |
|---|---|--------------------|
| 1 | Accident Account--State Appropriation . . . \$ | ((5,891,000)) |
| 2 | | <u>5,881,000</u> |
| 3 | Medical Aid Account--State Appropriation . . . \$ | ((5,945,000)) |
| 4 | | <u>5,937,000</u> |
| 5 | TOTAL APPROPRIATION \$ | ((720,286,000)) |
| 6 | | <u>682,268,000</u> |

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

9 (1) The university may reallocate 10 percent of newly budgeted
10 enrollments to campuses other than as specified by the legislature in
11 section 602 of this act in order to focus on high demand areas. The
12 university shall report the details of these reallocations to the office of
13 financial management and the fiscal and higher education committees of the
14 legislature for monitoring purposes by the 10th day of the academic quarter
15 that follows the reallocation actions. The report shall provide details of
16 undergraduate and graduate enrollments at the main campus and each of the
17 branch campuses.

18 (2) \$2,000,000 of the general fund--state appropriation for fiscal year
19 2002 and \$2,000,000 of the general fund--state appropriation for fiscal year
20 2003 are provided solely to create a state resource for technology education
21 in the form of an institute located at the University of Washington, Tacoma.
22 It is the intent of the legislature that at least ninety-nine of the full-
23 time equivalent enrollments allocated to the university's Tacoma branch
24 campus for the 2002-03 academic year may be used to establish the technology
25 institute. The university will expand undergraduate and graduate degree
26 programs meeting regional technology needs including, but not limited to,
27 computing and software systems. As a condition of these appropriations

28 (a) The university will work with the state board for community and
29 technical colleges, or individual colleges where necessary, to establish
30 articulation agreements in addition to the existing associate of arts and
31 associate of science transfer degrees. Such agreements shall improve the
32 transferability of students and in particular, students with substantial
33 applied information technology credits.

34 (b) The university will establish performance measures for recruiting,
35 retaining and graduating students, including nontraditional students, and
36 report back to the governor and legislature by September 2002 as to its
37 progress and future steps.

38 (3) \$150,000 of the general fund--state appropriation for fiscal year
39 2002 and \$150,000 of the general fund--state appropriation for fiscal year

1 2003 are provided solely for research faculty clusters in the advanced
2 technology initiative program.

3 (4) The department of environmental health shall report to the
4 legislature the historical, current, and anticipated use of funds provided
5 from the accident and medical aid accounts. The report shall be submitted
6 prior to the convening of the 2002 legislative session.

7 (5) (~~(\$259,000)~~) \$258,000 of the death investigations account
8 appropriation is provided solely for the forensic pathologist fellowship
9 program.

10 (6) \$150,000 of the general fund--state appropriation for fiscal year
11 2002 and \$150,000 of the general fund--state appropriation for fiscal year
12 2003 are provided solely for the implementation of the Puget Sound work plan
13 and agency action item UW-01.

14 (7) \$75,000 of the general fund--state appropriation for fiscal year
15 2002 and \$75,000 of the general fund--state appropriation for fiscal year
16 2003 are provided solely for the Olympic natural resource center.

17 (8) \$50,000 of the general fund--state appropriations are provided
18 solely for the school of medicine to conduct a survey designed to evaluate
19 characteristics, factors and probable causes for the high incidence of
20 multiple sclerosis cases in Washington state.

21 (9) \$1,103,000 of the University of Washington building account--state
22 appropriation is provided solely for the repair and reconstruction of the
23 Urban Horticulture Center (Merrill Hall).

24 **Sec. 605.** 2001 2nd sp.s. c 7 s 605 (uncodified) is amended to read as
25 follows:

26 **FOR WASHINGTON STATE UNIVERSITY**

| | | |
|----|--|----------------------------|
| 27 | General Fund--State Appropriation (FY 2002) . . . \$ | ((201,416,000)) |
| 28 | | <u>201,362,000</u> |
| 29 | General Fund--State Appropriation (FY 2003) . . . \$ | ((209,939,000)) |
| 30 | | <u>190,460,000</u> |
| 31 | TOTAL APPROPRIATION \$ | ((411,355,000)) |
| 32 | | <u>391,822,000</u> |

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

35 (1) The university may reallocate 10 percent of newly budgeted
36 enrollments to campuses other than specified by the legislature in section
37 602 of this act in order to focus on high demand areas. The university will

1 report the details of these reallocations to the office of financial
2 management and the fiscal and higher education committees of the legislature
3 for monitoring purposes by the 10th day of the academic quarter that follows
4 the reallocation actions. The report will provide details of undergraduate
5 and graduate enrollments at the main campus and each of the branch campuses.

6 (2) \$150,000 of the general fund--state appropriation for fiscal year
7 2002 and \$150,000 of the general fund--state appropriation for fiscal year
8 2003 are provided solely for research faculty clusters in the advanced
9 technology initiative program.

10 (3) \$165,000 of the general fund--state appropriation for fiscal year
11 2002 and \$166,000 of the general fund--state appropriation for fiscal year
12 2003 are provided solely for the implementation of the Puget Sound work plan
13 and agency action item WSU-01.

14 (4) Cooperative extension service programs may receive less state
15 support during fiscal year 2003 but such reductions shall not be made out-
16 of-proportion to the change in state general fund appropriations to the
17 entire university reflected in this section.

18 **Sec. 606.** 2001 2nd sp.s. c 7 s 606 (uncodified) is amended to read as
19 follows:

20 **FOR EASTERN WASHINGTON UNIVERSITY**

| | | |
|----|--|-----------------------------|
| 21 | General Fund--State Appropriation (FY 2002) . . . \$ | ((45,532,000)) |
| 22 | | <u>45,517,000</u> |
| 23 | General Fund--State Appropriation (FY 2003) . . . \$ | ((47,382,000)) |
| 24 | | <u>43,318,000</u> |
| 25 | TOTAL APPROPRIATION \$ | ((92,914,000)) |
| 26 | | <u>88,835,000</u> |

27 **Sec. 607.** 2001 2nd sp.s. c 7 s 607 (uncodified) is amended to read as
28 follows:

29 **FOR CENTRAL WASHINGTON UNIVERSITY**

| | | |
|----|--|-----------------------------|
| 30 | General Fund--State Appropriation (FY 2002) . . . \$ | ((44,164,000)) |
| 31 | | <u>44,147,000</u> |
| 32 | General Fund--State Appropriation (FY 2003) . . . \$ | ((44,976,000)) |
| 33 | | <u>41,295,000</u> |
| 34 | TOTAL APPROPRIATION \$ | ((89,140,000)) |
| 35 | | <u>85,442,000</u> |

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$700,000 of the general fund--state
3 appropriation for fiscal year 2002 is provided solely for the development
4 and implementation of the university's enrollment stabilization recovery and
5 growth plan. The university shall report back to the fiscal committees of
6 the legislature, the office of financial management, and the higher
7 education coordinating board at the end of each fiscal year with details of
8 its actions and progress.

9 **Sec. 608.** 2001 2nd sp.s. c 7 s 608 (uncodified) is amended to read as
10 follows:

11 **FOR THE EVERGREEN STATE COLLEGE**

| | |
|---|-----------------------------|
| 12 General Fund--State Appropriation (FY 2002) . . . \$ | ((25,334,000)) |
| | <u>25,351,000</u> |
| 14 General Fund--State Appropriation (FY 2003) . . . \$ | ((26,260,000)) |
| | <u>23,916,000</u> |
| 16 TOTAL APPROPRIATION \$ | ((51,594,000)) |
| | <u>49,267,000</u> |

17

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

20 (1) \$75,000 of the general fund--state appropriation for fiscal year
21 2002 is provided solely for the institute for public policy to complete
22 studies of services described in section 202(1), chapter 1, Laws of 2000 2nd
23 sp. sess.

24 (2) \$11,000 of the general fund--state appropriation for fiscal year
25 2002 and \$54,000 of the general fund--state appropriation for fiscal year
26 2003 are provided solely for the institute for public policy to conduct an
27 outcome evaluation pursuant to Substitute Senate Bill No. 5416 (drug-
28 affected infants). The institute shall provide a report to the fiscal,
29 health, and human services committees of the legislature by December 1,
30 2003. If the bill is not enacted by June 30, 2001, the amounts provided in
31 this subsection shall be used to evaluate outcomes across state health and
32 social service pilot projects and other national models involving women who
33 have given birth to a drug-affected infant, comparing gains in positive
34 birth outcomes for resources invested, in which case the institute's
35 findings and recommendations will be provided by November 15, 2002.

36 (3) \$11,000 of the general fund--state appropriation for fiscal year
37 2002 and \$33,000 of the general fund--state appropriation for fiscal year

1 2003 are provided solely for the institute for public policy to evaluate
2 partnership grant programs for alternative teacher certification pursuant
3 to Engrossed Second Substitute Senate Bill No. 5695. An interim report
4 shall be provided to the fiscal and education committees of the legislature
5 by December 1, 2002, and a final report by December 1, 2004.

6 (4) \$60,000 of the general fund--state appropriation for fiscal year
7 2002 is provided solely for the institute for public policy to examine
8 options for revising the state's funding formula for the learning assistance
9 program to enhance accountability for school performance in meeting
10 education reform goals. The institute shall submit its report to the
11 appropriate legislative fiscal and policy committees by June 30, 2002.

12 (5) \$50,000 of the general fund--state appropriation for fiscal year
13 2002 is provided solely for the institute for public policy to study the
14 prevalence and needs of families who are raising related children. The
15 study shall compare services and policies of Washington state with other
16 states that have a high rate of kinship care placements in lieu of foster
17 care placements. The study shall identify possible changes in services and
18 policies that are likely to increase appropriate kinship care placements.
19 A report shall be provided to the fiscal and human services committees of
20 the legislature by June 1, 2002.

21 (6) \$35,000 of the general fund--state appropriation for fiscal year
22 2002 and \$15,000 of the general fund--state appropriation for fiscal year
23 2003 are provided solely for the institute for public policy to examine
24 various educational delivery models for providing services and education for
25 students through the Washington state school for the deaf. The institute's
26 report, in conjunction with the capacity planning study from the joint
27 legislative audit and review committee, shall be submitted to the fiscal
28 committees of the legislature by September 30, 2002.

29 (7) \$30,000 of the general fund--state appropriation for fiscal year
30 2002 is provided solely for the institute for public policy to examine the
31 structure, policies, and recent experience in states where welfare
32 recipients may attend college full-time as their required TANF work
33 activity. The institute will provide findings and recommend how Washington
34 could consider adding this feature in a targeted, cost-neutral manner that
35 would complement the present-day WorkFirst efforts and caseload. The
36 institute shall provide a report to the human services, higher education,
37 and fiscal committees of the legislature by November 15, 2001.

38 (8) \$75,000 of the general fund--state appropriation for fiscal year
39 2002 and \$75,000 of the general fund--state appropriation for fiscal year

1 2003 are provided solely for the institute for public policy to research and
2 evaluate strategies for constraining the growth in state health
3 expenditures. Specific research topics, approaches, and timelines shall be
4 identified in consultation with the fiscal committees of the legislatur

5 (9) \$100,000 of the general fund--state appropriation for fiscal year
6 2002 is provided solely for the institute for public policy to conduct a
7 comprehensive review of the costs and benefits of existing juvenile crime
8 prevention and intervention programs. This evaluation shall also consider
9 what changes could result in more cost-effective and efficient funding for
10 juvenile crime prevention and intervention programs presently supported with
11 state funds. The institute for public policy shall report its findings and
12 recommendations to the appropriate legislative fiscal and policy committees
13 by October 1, 2002.

14 (10) \$35,000 of the general fund--state appropriation for fiscal year
15 2003 is provided solely for the institute for public policy, in consultation
16 with the office of financial management, to review options regarding the
17 elimination or distribution of current functions of the state library to
18 other entities or retaining the state library as an independent agency. The
19 institute shall also develop an implementation plan for closure of the state
20 library for the legislature and office of financial management to consider.
21 The plan shall include necessary steps to be taken and estimated time for
22 accomplishing them. The state library shall assist the institute in
23 providing information necessary to formulate the plan. The institute shall
24 submit the plan to the appropriate committees of the legislature by November
25 15, 2003.

26 (11) \$15,000 of the general fund--state appropriation for fiscal year
27 2002 and \$71,000 of the general fund--state appropriation for fiscal year
28 2003 are provided solely for the institute for public policy to review and
29 evaluate the mission of the branch campuses of the state's higher education
30 research universities under Substitute Senate Bill No. 6626. If the bill
31 is not enacted by June 30, 2002, the amounts provided in this subsection
32 shall lapse.

33 (12) \$11,000 of the general fund--state appropriation for fiscal year
34 2002 and \$29,000 of the general fund--state appropriation for fiscal year
35 2003 are provided solely for the institute for public policy to conduct
36 research on at-risk youth programs. The institute for public policy shall
37 conduct the necessary research in order to recommend to the legislature the
38 criteria, processes, and institutional arrangements under which proven best
39 practices could be identified, the reductions in the state justice system

1 caseloads estimated, and the unit cost and total cost savings estimated for
2 the intervention and prevention programs focused on youth at high risk for
3 involvement with the juvenile and adult justice systems. The development
4 of criteria, processes, and institutional arrangements for the limited
5 purposes of this study shall not be construed to define best practices for
6 all programs. The institute for public policy shall report its findings and
7 recommendations to the appropriate committees of legislature by December 15,
8 2002.

9 **Sec. 609.** 2001 2nd sp.s. c 7 s 609 (uncodified) is amended to read as
10 follows:

11 **FOR WESTERN WASHINGTON UNIVERSITY**

| | | |
|----|--|--------------------|
| 12 | General Fund--State Appropriation (FY 2002) . . \$ | ((59,755,000)) |
| 13 | | <u>59,732,000</u> |
| 14 | General Fund--State Appropriation (FY 2003) . . \$ | ((62,881,000)) |
| 15 | | <u>57,508,000</u> |
| 16 | TOTAL APPROPRIATION \$ | ((122,636,000)) |
| 17 | | <u>117,240,000</u> |

18 The appropriations in this section are subject to the following
19 conditions and limitations: \$753,000 of the general fund--state
20 appropriation for fiscal year 2002 and \$1,032,000 of the general fund--state
21 appropriation for fiscal year 2003 are provided solely for the operations
22 of the North Snohomish, Island, Skagit (NSIS) higher education consortium.

23 **Sec. 610.** 2001 2nd sp.s. c 7 s 610 (uncodified) is amended to read as
24 follows:

25 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
26 **ADMINISTRATION**

| | | |
|----|--|------------------|
| 27 | General Fund--State Appropriation (FY 2002) . . \$ | 2,345,000 |
| 28 | General Fund--State Appropriation (FY 2003) . . \$ | ((2,408,000)) |
| 29 | | <u>2,288,000</u> |
| 30 | General Fund--Federal Appropriation \$ | 636,000 |
| 31 | TOTAL APPROPRIATION \$ | ((5,389,000)) |
| 32 | | <u>5,269,000</u> |

33 The appropriations in this section are provided to carry out the policy
34 coordination, planning, studies and administrative functions of the board
35 and are subject to the following conditions and limitations:

1 (1) \$150,000 of the general fund--state appropriation for fiscal year
2 2002 and \$150,000 of the general fund--state appropriation for fiscal year
3 2003 are provided solely to continue the teacher training pilot program
4 pursuant to chapter 177, Laws of 1999.

5 (2) \$105,000 of the general fund--state appropriation for fiscal year
6 2002 and \$245,000 of the general fund--state appropriation for fiscal year
7 2003 are provided solely to continue a demonstration project to improve
8 rural access to post-secondary education by bringing distance learning
9 technologies into Jefferson county.

10 **Sec. 611.** 2001 2nd sp.s. c 7 s 611 (uncodified) is amended to read as
11 follows:

12 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**
13 **PROGRAMS**

| | | |
|----|--|------------------------------|
| 14 | General Fund--State Appropriation (FY 2002) . . . \$ | ((123,645,000)) |
| 15 | | <u>123,525,000</u> |
| 16 | General Fund--State Appropriation (FY 2003) . . . \$ | ((136,205,000)) |
| 17 | | <u>136,998,000</u> |
| 18 | General Fund--Federal Appropriation \$ | 7,511,000 |
| 19 | Advanced College Tuition Payment Program Account-- | |
| 20 | State Appropriation \$ | 3,604,000 |
| 21 | TOTAL APPROPRIATION \$ | ((270,965,000)) |
| 22 | | <u>271,638,000</u> |

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

25 (1) \$534,000 of the general fund--state appropriation for fiscal year
26 2002 and \$529,000 of the general fund--state appropriation for fiscal year
27 2003 are provided solely for the displaced homemakers program.

28 (2) \$234,000 of the general fund--state appropriation for fiscal year
29 2002 and \$240,000 of the general fund--state appropriation for fiscal year
30 2003 are provided solely for the western interstate commission for higher
31 education.

32 (3) \$1,000,000 of the general fund--state appropriation for fiscal year
33 2002 and \$1,000,000 of the general fund--state appropriation for fiscal year
34 2003 are provided solely for the health professional conditional scholarship
35 and loan program under chapter 28B.115 RCW. This amount shall be deposited
36 to the health professional loan repayment and scholarship trust fund to
37 carry out the purposes of the program.

1 (4) \$1,000,000 of the general fund--state appropriations is provided
2 solely to continue a demonstration project that enables classified public
3 K-12 employees to become future teachers, subject to the following
4 conditions and limitations:

5 (a) Within available funds, the board may renew and offer conditional
6 scholarships of up to \$4,000 per year for full or part-time studies that may
7 be forgiven in exchange for teaching service in Washington's public K-12
8 schools. In selecting loan recipients, the board shall take into account
9 the applicant's demonstrated academic ability and commitment to serve as a
10 teacher within the state of Washington.

11 (b) Loans shall be forgiven at the rate of one year of loan for two
12 years of teaching service. Recipients who teach in geographic or subject-
13 matter shortage areas, as specified by the office of the superintendent for
14 public instruction, may have their loans forgiven at the rate of one year
15 of loan for one year of teaching service;

16 (c) Recipients who fail to fulfill the required teaching service shall
17 be required to repay the conditional loan with interest. The board shall
18 define the terms for repayment, including applicable interest rates, fees
19 and deferments, and may adopt other rules as necessary to implement this
20 demonstration project.

21 (d) The board may deposit this appropriation and all collections into
22 the student loan account authorized in RCW 28B.102.060.

23 (e) The board will provide the legislature and governor with findings
24 about the impact of this demonstration project on persons entering the
25 teaching profession in shortage areas by no later than January of 2002.

26 (5) \$75,000 of the general fund--state appropriation for fiscal year
27 2002 and \$75,000 of the general fund--state appropriation for fiscal year
28 2003 are provided solely for higher education student child care matching
29 grants under chapter 28B.135 RCW.

30 (6) \$25,000 of the general fund--state appropriation for fiscal year
31 2002 and \$25,000 of the general fund--state appropriation for fiscal year
32 2003 are provided solely for the benefit of students who participate in
33 college assistance migrant programs (CAMP) operating in Washington state.
34 To ensure timely state aid, the board may establish a date after which no
35 additional grants would be available for the 2001-02 and 2002-03 academic
36 years. The board shall disperse grants in equal amounts to eligible post-
37 secondary institutions so that state money in all cases supplements federal
38 CAMP awards.

1 (7) \$120,156,000 of the general fund--state appropriation for fiscal
2 year 2002 and (~~(\$133,965,000)~~) \$134,879,000 of the general fund--state
3 appropriation for fiscal year 2003 are provided solely for student financial
4 aid, including all administrative costs. Of these amounts:

5 (a) \$90,566,000 of the general fund--state appropriation for fiscal
6 year 2002 and (~~(\$102,667,000)~~) \$106,447,000 of the general fund--state
7 appropriation for fiscal year 2003 are provided solely for the state need
8 grant program. After April 1 of each fiscal year, up to one percent of the
9 annual appropriation for the state need grant program may be transferred to
10 the state work study program;

11 (b) \$16,340,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$17,360,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for the state work study program. Four
14 percent of the appropriations in this subsection (b) may be spent to
15 administer state work study. After April 1 of each fiscal year, up to one
16 percent of the annual appropriation for the state work study program may be
17 transferred to the state need grant program;

18 (c) \$2,920,000 of the general fund--state appropriation for fiscal year
19 2002 and \$2,920,000 of the general fund--state appropriation for fiscal year
20 2003 are provided solely for educational opportunity grants. The board may
21 deposit sufficient funds from its appropriation into the state education
22 trust fund as established in RCW 28B.10.821 to provide a one-year renewal
23 of the grant for each new recipient of the educational opportunity grant
24 award. For the purpose of establishing eligibility for the equal
25 opportunity grant program for placebound students under RCW 28B.101.020,
26 Thurston county lies within the branch campus service area of the Tacoma
27 branch campus of the University of Washington;

28 (d) A maximum of 2.1 percent of the general fund--state appropriation
29 for fiscal year 2002 and (~~(2.1)~~) 1.8 percent of the general fund--state
30 appropriation for fiscal year 2003 may be expended for financial aid
31 administration(~~(, excluding the 4 percent state work study program~~
32 ~~administrative allowance provision)~~);

33 (e) \$1,241,000 of the general fund--state appropriation for fiscal year
34 2002 and \$1,428,000 of the general fund--state appropriation for fiscal year
35 2003 are provided solely to implement the Washington scholars program. Any
36 Washington scholars program moneys not awarded by April 1st of each year may
37 be transferred by the board to the Washington award for vocational
38 excellence;

1 (f) \$588,000 of the general fund--state appropriation for fiscal year
2 2002 and \$589,000 of the general fund--state appropriation for fiscal year
3 2003 are provided solely to implement Washington award for vocational
4 excellence program. Any Washington award for vocational program moneys not
5 awarded by April 1st of each year may be transferred by the board to the
6 Washington scholars program;

7 (g) \$251,000 of the general fund--state appropriation for fiscal year
8 2002 and \$251,000 of the general fund--state appropriation for fiscal year
9 2003 are provided solely for community scholarship matching grants of \$2,000
10 each. Of the amounts provided, no more than \$5,200 each year is for the
11 administration of the community scholarship matching grant program. To be
12 eligible for the matching grant, a nonprofit community organization
13 organized under section 501(c)(3) of the internal revenue code must
14 demonstrate that it has raised \$2,000 in new moneys for college scholarships
15 after the effective date of this act. An organization may receive more than
16 one \$2,000 matching grant and preference shall be given to organizations
17 affiliated with the citizens' scholarship foundation; and

18 (h) \$8,250,000 of the general fund--state appropriation for fiscal year
19 2002 and (~~(\$8,750,000)~~) \$6,300,000 of the general fund--state appropriation
20 for fiscal year 2003 are provided solely for the Washington promise
21 scholarship program subject to the following conditions and limitations

22 (i) Within available funds and subject to state need grant service
23 requirements pursuant to Substitute House Bill No. 2807 (promise
24 scholarships) as amended by the Senate, the higher education coordinating
25 board shall award scholarships for use at accredited institutions of higher
26 education in the state of Washington to as many students as possible from
27 among those qualifying under (iv) and (v) of this subsection. Each
28 qualifying student will receive two consecutive annual installments, the
29 value of each not to exceed the full-time annual resident tuition rates
30 charged by community colleges.

31 (ii) Of the amounts provided, no more than \$260,000 (~~(each year is)~~) in
32 fiscal year 2002 and no more than \$250,000 in fiscal year 2003 are for
33 administration of the Washington promise scholarship program.

34 (iii) Other than funds provided for program administration, the higher
35 education coordinating board shall deposit all money received for the
36 program in the Washington promise scholarship account, a nonappropriated
37 fund in the custody of the state treasurer. The account shall be self-
38 sustaining and consist of funds appropriated by the legislature for these

1 scholarships, private contributions, and receipts from refunds of tuition
2 and fees.

3 (iv) Scholarships in (~~(the 2001-03 biennium)~~) fiscal year 2002 shall be
4 awarded to students who graduate from high school or its equivalent whose
5 family income does not exceed one hundred thirty-five percent of the state's
6 median family income, adjusted for family size, if they meet any of the
7 following academic criteria:

8 (A) Students graduating from public and approved private high schools
9 under chapter 28A.195 RCW must be in the top fifteen percent of their
10 graduating class, or must equal or exceed a cumulative scholastic assessment
11 test score of 1200 on their first attempt;

12 (B) Students participating in home-based instruction as provided in
13 chapter 28A.200 RCW must equal or exceed a cumulative scholastic assessment
14 test score of 1200 on their first attempt.

15 (v) Scholarships in fiscal year 2003 shall be awarded to students who
16 graduate from high school or its equivalent whose family income does not
17 exceed one hundred percent of the state's median family income, adjusted for
18 family size, if they meet any of the following academic criteria:

19 (A) Students graduating from public and approved private high schools
20 under chapter 28A.195 RCW must be in the top ten percent of their graduating
21 class, or must equal or exceed a cumulative scholastic assessment test score
22 of 1200 on their first attempt;

23 (B) Students participating in home-based instruction as provided in
24 chapter 28A.200 RCW must equal or exceed a cumulative scholastic assessment
25 test score of 1200 on their first attempt.

26 (vi) For students eligible under (~~(iv) of~~) this subsection, the
27 superintendent of public instruction shall provide the higher education
28 coordinating board with the names, addresses, and unique numeric identifiers
29 of eligible students (~~(in the top fifteen percent or)~~) including those who
30 meet the scholastic aptitude test score requirement, as appropriate in each
31 of the respective high school senior or home based instruction classes in
32 Washington state. This shall be provided no later than October 1 of each
33 year.

34 (~~(vi)~~) (vii) Scholarships awarded under this section may only be used
35 at accredited institutions of higher education in the state of Washington
36 for college-related expenses, including but not limited to, tuition, room
37 and board, books, materials, and transportation. The Washington promise
38 scholarship award shall not supplant other scholarship awards, financial

1 aid, or tax programs related to postsecondary education. Scholarships may
2 not be transferred or refunded to students.

3 ~~((vii))~~ (viii) The higher education coordinating board shall evaluate
4 the impact and effectiveness of the Washington promise scholarship program.
5 The evaluation shall include, but not be limited to: (A) An analysis of
6 other financial assistance promise scholarship recipients are receiving
7 through other federal, state, and institutional programs, including grants,
8 work study, tuition waivers, tax credits, and loan programs; (B) an analysis
9 of whether the implementation of the promise scholarship program has had an
10 impact on student indebtedness; and (C) an evaluation of what types of
11 students are successfully completing high school but do not have the
12 financial ability to attend college because they cannot obtain financial aid
13 or the financial aid is insufficient. The board shall report its findings
14 to the governor and the legislature by December 1, 2002.

15 ~~((viii))~~ (ix) The higher education coordinating board may adopt rules
16 as necessary to implement this program.

17 (x) Moneys appropriated for fiscal year 2003 in this subsection (h) may
18 be used as necessary to meet state need grant service requirements pursuant
19 to Substitute House Bill No. 2807 (promise scholarships) as amended by the
20 Senate.

21 **Sec. 612.** 2001 2nd sp.s. c 7 s 612 (uncodified) is amended to read as
22 follows:

23 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

| | | |
|----|--|---------------------------|
| 24 | General Fund--State Appropriation (FY 2002) . . . \$ | 1,762,000 |
| 25 | General Fund--State Appropriation (FY 2003) . . . \$ | ((1,720,000)) |
| 26 | | <u>1,633,000</u> |
| 27 | General Fund--Federal Appropriation \$ | 44,987,000 |
| 28 | TOTAL APPROPRIATION \$ | ((48,469,000)) |
| 29 | | <u>48,382,000</u> |

30 The appropriations in this section are subject to the following
31 conditions and limitations: \$500,000 of the general fund--state
32 appropriation for fiscal year 2002 and \$500,000 of the general fund--state
33 appropriation for fiscal year 2003 are provided solely for the operations
34 and development of the inland northwest technology education center (INTEC)
35 as a regional resource and model for the rapid deployment of skilled workers
36 trained in the latest technologies for Washington. The board shall serve
37 as an advisor to and fiscal agent for INTEC, and will report back to the

1 governor and legislature by September 2002 as to the progress and future
2 steps for INTEC as this new public-private partnership evolves.

3 **Sec. 613.** 2001 2nd sp.s. c 7 s 613 (uncodified) is amended to read as
4 follows:

5 **FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**

| | | |
|----|--|----------------------------|
| 6 | General Fund--State Appropriation (FY 2002) . . . \$ | ((1,500,000)) |
| 7 | | <u>1,499,000</u> |
| 8 | General Fund--State Appropriation (FY 2003) . . . \$ | ((1,500,000)) |
| 9 | | <u>1,452,000</u> |
| 10 | TOTAL APPROPRIATION \$ | ((3,000,000)) |
| 11 | | <u>2,951,000</u> |

12 **Sec. 614.** 2001 2nd sp.s. c 7 s 614 (uncodified) is amended to read as
13 follows:

14 **FOR WASHINGTON STATE LIBRARY**

| | | |
|----|--|-----------------------------|
| 15 | General Fund--State Appropriation (FY 2002) . . . \$ | 8,791,000 |
| 16 | General Fund--State Appropriation (FY 2003) . . . \$ | ((8,786,000)) |
| 17 | | <u>8,522,000</u> |
| 18 | General Fund--Federal Appropriation \$ | 6,976,000 |
| 19 | TOTAL APPROPRIATION \$ | ((24,553,000)) |
| 20 | | <u>24,289,000</u> |

21 The appropriations in this section are subject to the following
22 conditions and limitations: At least \$2,700,000 shall be expended for a
23 contract with the Seattle public library for library services for the
24 Washington book and braille library.

25 **Sec. 615.** 2001 2nd sp.s. c 7 s 615 (uncodified) is amended to read as
26 follows:

27 **FOR THE WASHINGTON STATE ARTS COMMISSION**

| | | |
|----|--|----------------------------|
| 28 | General Fund--State Appropriation (FY 2002) . . . \$ | 2,873,000 |
| 29 | General Fund--State Appropriation (FY 2003) . . . \$ | ((2,874,000)) |
| 30 | | <u>2,788,000</u> |
| 31 | General Fund--Federal Appropriation \$ | 1,000,000 |
| 32 | <u>General Fund--Private/Local Appropriation</u> \$ | <u>3,000</u> |
| 33 | TOTAL APPROPRIATION \$ | ((6,747,000)) |
| 34 | | <u>6,664,000</u> |

| | | |
|---|--|-----------------------------|
| 1 | General Fund--State Appropriation (FY 2003) . . \$ | ((7,439,000)) |
| 2 | | <u>7,464,000</u> |
| 3 | General Fund--Private/Local Appropriation \$ | 232,000 |
| 4 | TOTAL APPROPRIATION \$ | ((15,066,000)) |
| 5 | | <u>15,091,000</u> |

6 (End of part)

1 PART VII
2 SPECIAL APPROPRIATIONS

3 **Sec. 701.** 2001 2nd sp.s. c 7 s 701 (uncodified) is amended to read as
4 follows:

5 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**
6 **REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

| | | |
|----|--|------------------------------|
| 7 | General Fund--State Appropriation (FY 2002) . . . \$ | 629,097,000 |
| 8 | General Fund--State Appropriation (FY 2003) . . . \$ | ((567,290,000)) |
| 9 | | <u>565,290,000</u> |
| 10 | State Building Construction Account--State | |
| 11 | Appropriation \$ | ((11,351,000)) |
| 12 | | <u>7,999,000</u> |
| 13 | Debt-Limit Reimbursable Bond Retire Account-- | |
| 14 | State Appropriation \$ | 2,591,000 |
| 15 | <u>State Taxable Building Construction Account--</u> | |
| 16 | <u>State Appropriation</u> \$ | <u>496,000</u> |
| 17 | TOTAL APPROPRIATION \$ | ((1,210,329,000)) |
| 18 | | <u>1,205,473,000</u> |

19 The appropriations in this section are subject to the following
20 conditions and limitations: The general fund appropriations are for deposit
21 into the debt-limit general fund bond retirement account. The appropriation
22 for fiscal year 2002 shall be deposited in the debt-limit general fund bond
23 retirement account by June 30, 2002.

24 **Sec. 702.** 2001 2nd sp.s. c 7 s 702 (uncodified) is amended to read as
25 follows:

26 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**
27 **REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE**
28 **REIMBURSED BY ENTERPRISE ACTIVITIES**

| | | |
|----|---|---------------------------|
| 29 | State Convention and Trade Center Account-- | |
| 30 | State Appropriation \$ | ((39,950,000)) |
| 31 | | <u>29,249,000</u> |
| 32 | Accident Account--State Appropriation . . . \$ | ((5,590,000)) |
| 33 | | <u>5,096,000</u> |
| 34 | Medical Aid Account--State Appropriation . . . \$ | ((5,590,000)) |

1 5,096,000
 2 TOTAL APPROPRIATION \$ ((51,130,000))
 3 39,441,000

4 **Sec. 703.** 2001 2nd sp.s. c 7 s 703 (uncodified) is amended to read as
 5 follows:

6 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**
 7 **REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE**
 8 **REIMBURSED AS PRESCRIBED BY STATUTE**

9 General Fund--State Appropriation (FY 2002) . . \$ 24,542,000
 10 General Fund--State Appropriation (FY 2003) . . \$ 26,706,000
 11 Capitol Historic District Construction
 12 Account--State Appropriation \$ 454,000
 13 Higher Education Construction Account--State
 14 Appropriation \$ ((815,000))
 15 499,000
 16 State Higher Education Construction Account--
 17 State Appropriation \$ ((348,000))
 18 50,000
 19 State Vehicle Parking Account--State
 20 Appropriation \$ ((35,000))
 21 100,000
 22 Education Construction Account--State
 23 Appropriation \$ 19,500,000
 24 Nondebt-Limit Reimbursable Bond Retirement Account--
 25 State Appropriation \$ 128,043,000
 26 TOTAL APPROPRIATION \$ ((180,943,000))
 27 199,894,000

28 The appropriations in this section are subject to the following
 29 conditions and limitations: The general fund appropriation is for deposit
 30 into the nondebt-limit general fund bond retirement account.

31 **Sec. 704.** 2001 2nd sp.s. c 7 s 704 (uncodified) is amended to read as
 32 follows:

33 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**
 34 **REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

35 General Fund--State Appropriation (FY 2002) . . \$ 567,000
 36 General Fund--State Appropriation (FY 2003) . . \$ 568,000

| | | |
|----|--|-------------------|
| 1 | Higher Education Construction Account--State | |
| 2 | Appropriation | \$ 77,000 |
| 3 | State Higher Education Construction Account-- | |
| 4 | State Appropriation | \$ 42,000 |
| 5 | State Building Construction Account--State | |
| 6 | Appropriation | \$ 1,488,000 |
| 7 | State Vehicle Parking Account--State | |
| 8 | Appropriation | \$ ((5,000)) |
| 9 | | <u>10,000</u> |
| 10 | <u>Education Construction Account--State</u> | |
| 11 | <u>Appropriation</u> | <u>\$ 325,000</u> |
| 12 | Capitol Historic District Construction | |
| 13 | Account--State Appropriation | \$ 130,000 |
| 14 | <u>State Taxable Building Construction Account--</u> | |
| 15 | <u>State Appropriation</u> | <u>\$ 50,000</u> |
| 16 | TOTAL APPROPRIATION | \$ ((2,877,000)) |
| 17 | | <u>3,257,000</u> |

18 **Sec. 705.** 2001 2nd sp.s. c 7 s 706 (uncodified) is amended to read as
19 follows:

20 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL.** The sum
21 of ((~~three million dollars~~)) \$39,487,000, or so much thereof as may be
22 available on June 30, 2001, from the total amount of unspent fiscal year
23 2001 fire contingency funding in the disaster response account and the
24 moneys appropriated to the disaster response account in section 707 of this
25 act, is appropriated for the purpose of making allocations to the military
26 department for fire mobilizations costs or to the department of natural
27 resources for fire suppression costs. Of this amount, \$27,513,000 shall be
28 provided to the department of natural resources, \$135,000 shall be provided
29 to the state parks and recreation commission, and \$60,000 shall be provided
30 to the department of fish and wildlife, for costs of fire suppression during
31 the 2001 fire season.

32 **NEW SECTION. Sec. 706.** A new section is added to 2001 2nd sp.s. c 7
33 (uncodified) to read as follows:

34 **REVOLVING FUND REDUCTIONS.** (1) The 2001-2003 supplemental
35 appropriations in this act reflect reduced appropriations from the specified
36 funds and accounts in the following amounts:

| | | |
|----|---|------------|
| 37 | Administrative Hearings Revolving Account . . . | \$ 330,000 |
|----|---|------------|

| | | | |
|---|---|----|-----------|
| 1 | Legal Services Revolving Account | \$ | 1,543,000 |
| 2 | Data Processing Revolving Account | \$ | 246,000 |
| 3 | Department of Personnel Service Account | \$ | 262,000 |
| 4 | Department of Retirement Systems Expense | | |
| 5 | Account | \$ | 768,000 |
| 6 | General Administration Services Account | \$ | 620,000 |
| 7 | Auditing Services Revolving Account | \$ | 183,000 |
| 8 | Archives & Records Management Account | \$ | 81,000 |

9 (2) The director of financial management shall reduce allotments from
10 general fund--state appropriations in this act for the 2001-2003 biennium
11 by \$1,654,000, which is forty-one percent of the amounts specified in
12 subsection (1) of this section and reflects the proportionate share of the
13 general fund--state savings from the appropriations reductions. The amount
14 of the allotment reduction shall be placed in reserve status.

15 NEW SECTION. Sec. 707. A new section is added to 2001 2nd sp.s. c 7
16 (uncodified) to read as follows:

17 **EQUIPMENT PURCHASE REDUCTION.** The director of financial management
18 shall reduce allotments from general fund--state appropriations in this act
19 for the 2001-2003 biennium by \$2,300,000 to reflect a freeze on state agency
20 equipment purchases for the remainder of the 2001-03 biennium. The amount
21 of the allotment reduction shall be placed in reserve status.

22 NEW SECTION. Sec. 708. A new section is added to 2001 2nd sp.s. c 7
23 (uncodified) to read as follows:

24 **EMPLOYEE TRAVEL REDUCTION.** The director of financial management shall
25 reduce allotments from general fund--state appropriations in this act for
26 the 2001-2003 biennium by \$3,000,000 to reflect the elimination of
27 nonessential travel by state employees and officials. The amount of the
28 allotment reduction shall be placed in reserve status.

29 NEW SECTION. Sec. 709. A new section is added to 2001 2nd sp.s. c 7
30 (uncodified) to read as follows:

31 **CONTINGENCY POOL.** (1) With the prior approval of the office of
32 financial management, agencies may reduce allotments for fiscal year 2002
33 to reflect all or a portion of, and not to exceed, the administrative,
34 travel, and equipment reductions and efficiency savings enacted in this 2002
35 supplemental appropriations act as an alternative to allotment reductions
36 for fiscal year 2003.

1 (2) The sum of one million five hundred thousand dollars from the
2 general fund--state for fiscal year 2003 is appropriated to the governor for
3 providing assistance to state agencies that are unable to effectively absorb
4 the administrative, travel, and equipment reductions and efficiency savings
5 enacted in this 2002 supplemental appropriations act. Allocations to state
6 agencies from this appropriation shall be reported to the legislative fiscal
7 committees by the office of financial management within five days of the
8 allocation.

9 **Sec. 710.** 2001 2nd sp.s. c 7 s 713 (uncodified) is amended to read as
10 follows:

11 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--DIGITAL GOVERNMENT REVOLVING ACCOUNT**

| | | |
|----|--|----------------------------|
| 12 | General Fund--State Appropriation (FY 2002) . . . \$ | 2,050,000 |
| 13 | General Fund--State Appropriation (FY 2003) . . . \$ | ((2,050,000)) |
| 14 | | <u>1,050,000</u> |
| 15 | TOTAL APPROPRIATION \$ | ((4,100,000)) |
| 16 | | <u>3,100,000</u> |

17 The appropriations in this section are subject to the following
18 conditions and limitations: The appropriations in this section are provided
19 solely for deposit in the digital government revolving account.

20 **Sec. 711.** 2001 2nd sp.s. c 7 s 716 (uncodified) is amended to read as
21 follows:

22 **FOR THE GOVERNOR--COMPENSATION--INSURANCE BENEFITS**

| | | |
|----|--|-----------------------------|
| 23 | General Fund--State Appropriation (FY 2002) . . . \$ | 7,218,000 |
| 24 | General Fund--State Appropriation (FY 2003) . . . \$ | ((19,947,000)) |
| 25 | | <u>14,803,000</u> |
| 26 | General Fund--Federal Appropriation \$ | ((8,692,000)) |
| 27 | | <u>7,374,000</u> |
| 28 | General Fund--Private/Local Appropriation \$ | ((456,000)) |
| 29 | | <u>331,000</u> |
| 30 | Salary and Insurance Increase Revolving Account | |
| 31 | Appropriation \$ | ((19,468,000)) |
| 32 | | <u>15,969,000</u> |
| 33 | TOTAL APPROPRIATION \$ | ((55,781,000)) |
| 34 | | <u>45,965,000</u> |

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

1 (1)(a) The monthly employer funding rate for insurance benefit
2 premiums, public employees' benefits board administration, and the uniform
3 medical plan, shall not exceed \$457.29 per eligible employee for fiscal year
4 2002, and (~~(\$497.69)~~) \$482.38 for fiscal year 2003.

5 (b) Within the rates in (a) of this subsection, \$2.02 per eligible
6 employee shall be included in the employer funding rate for fiscal year
7 2002, and \$4.10 per eligible employee shall be included in the employer
8 funding rate for fiscal year 2003, solely to increase life insurance
9 coverage in accordance with a court approved settlement in *Burbage et al.*
10 *v. State of Washington* (Thurston county superior court cause no. 94-2-02560-
11 8).

12 (c) In order to achieve the level of funding provided for health
13 benefits, the public employees' benefits board shall require any or all of
14 the following: Employee premium copayments, increases in point-of-service
15 cost sharing, the implementation of managed competition, or make other
16 changes to benefits consistent with RCW 41.05.065.

17 (d) The health care authority shall deposit any moneys received on
18 behalf of the uniform medical plan as a result of rebates on prescription
19 drugs, audits of hospitals, subrogation payments, or any other moneys
20 recovered as a result of prior uniform medical plan claims payments, into
21 the public employees' and retirees' insurance account to be used for
22 insurance benefits. Such receipts shall not be used for administrative
23 expenditures.

24 (2) To facilitate the transfer of moneys from dedicated funds and
25 accounts, the state treasurer is directed to transfer sufficient moneys from
26 each dedicated fund or account to the special fund salary and insurance
27 contribution increase revolving fund in accordance with schedules provided
28 by the office of financial management.

29 (3) The health care authority, subject to the approval of the public
30 employees' benefits board, shall provide subsidies for health benefit
31 premiums to eligible retired or disabled public employees and school
32 district employees who are eligible for parts A and B of medicare, pursuant
33 to RCW 41.05.085. From January 1, 2002, through December 31, 2002, the
34 subsidy shall be \$85.84. Starting January 1, 2003, the subsidy shall be
35 (~~(\$102.55)~~) \$92.74 per month.

36 (4) Technical colleges, school districts, and educational service
37 districts shall remit to the health care authority for deposit into the
38 public employees' and retirees' insurance account established in RCW
39 41.05.120 the following amounts:

1 (a) For each full-time employee, \$32.41 per month beginning September
2 1, 2001, and (~~(\$37.48)~~) \$36.36 beginning September 1, 2002;

3 (b) For each part-time employee who, at the time of the remittance, is
4 employed in an eligible position as defined in RCW 41.32.010 or 41.40.010
5 and is eligible for employer fringe benefit contributions for basic
6 benefits, \$32.41 each month beginning September 1, 2001, and (~~(\$37.48)~~)
7 \$36.36 beginning September 1, 2002, prorated by the proportion of employer
8 fringe benefit contributions for a full-time employee that the part-time
9 employee receives.

10 The remittance requirements specified in this subsection shall not
11 apply to employees of a technical college, school district, or educational
12 service district who purchase insurance benefits through contracts with the
13 health care authority.

14 (5) The salary and insurance increase revolving account appropriation
15 includes amounts sufficient to fund health benefits for ferry workers at the
16 premium levels specified in subsection (1) of this section, consistent with
17 the 2001-2003 transportation appropriations act.

18 **Sec. 712.** 2001 2nd sp.s. c 7 s 717 (uncodified) is amended to read as
19 follows:

20 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT**
21 **SYSTEMS.** The appropriations in this section are subject to the following
22 conditions and limitations: The appropriations for the law enforcement
23 officers' and firefighters' retirement system shall be made on a monthly
24 basis beginning July 1, 2001, consistent with chapter 41.45 RCW, and the
25 appropriations for the judges and judicial retirement systems shall be made
26 on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

27 (1) There is appropriated for state contributions to the law
28 enforcement officers' and fire fighters' retirement system:

| | | |
|----|--|-----------------------------|
| 29 | General Fund--State Appropriation (FY 2002) . . \$ | ((15,552,000)) |
| 30 | | <u>15,437,000</u> |
| 31 | General Fund--State Appropriation (FY 2003) . . \$ | ((16,668,000)) |
| 32 | | <u>16,208,000</u> |

33 The appropriations in this subsection are subject to the following
34 conditions and limitations: The appropriations include reductions to
35 reflect savings resulting from the implementation of state pension
36 contribution rates effective (~~(July 1, 2001, as provided in Senate Bill No.~~

1 ~~6167 or House Bill No. 2236~~) April 1, 2002, as provided in House Bill No.
2 2782.

3 (2) There is appropriated for contributions to the judicial retirement
4 system:

| | | |
|---|--|-----------|
| 5 | General Fund--State Appropriation (FY 2002) . . \$ | 6,000,000 |
| 6 | General Fund--State Appropriation (FY 2003) . . \$ | 6,000,000 |

7 (3) There is appropriated for contributions to the judges retirement
8 system:

| | | |
|----|--|---------|
| 9 | General Fund--State Appropriation (FY 2002) . . \$ | 250,000 |
| 10 | General Fund--State Appropriation (FY 2003) . . \$ | 250,000 |

| | | |
|----|----------------------------------|---------------------------|
| 11 | TOTAL APPROPRIATION \$ | ((44,720,000)) |
| 12 | | <u>44,145,000</u> |

13 NEW SECTION. Sec. 713. A new section is added to 2001 2nd sp.s. c 7
14 (uncodified) to read as follows:

15 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--PENSION SAVINGS.** The office of
16 financial management shall reduce allotments from the appropriations for
17 agencies of the state by \$1,208,000 from the general fund--state fiscal year
18 2002 appropriations, \$4,929,000 from the general fund--state fiscal year
19 2003 appropriations, \$1,606,000 from the general fund--federal 2001-03
20 appropriations, \$148,000 from the general fund--private/local 2001-03
21 appropriations, and \$4,326,000 from other funds 2001-03 appropriations to
22 reflect savings from pension contribution rate reductions, effective April
23 1, 2002, as provided in House Bill No. 2782.

24 **Sec. 714.** 2001 2nd sp.s. c 7 s 719 (uncodified) is amended to read as
25 follows:

26 **SALARY COST OF LIVING ADJUSTMENT**

| | | |
|----|--|---------------------------|
| 27 | General Fund--State Appropriation (FY 2002) . . \$ | 41,712,000 |
| 28 | General Fund--State Appropriation (FY 2003) . . \$ | ((73,358,000)) |

| | | |
|----|--|-------------------|
| 29 | | <u>44,469,000</u> |
|----|--|-------------------|

| | | |
|----|--|---------------------------|
| 30 | General Fund--Federal Appropriation \$ | ((37,955,000)) |
|----|--|---------------------------|

| | | |
|----|--|-------------------|
| 31 | | <u>25,629,000</u> |
|----|--|-------------------|

| | | |
|----|--|--------------------------|
| 32 | General Fund--Private/Local Appropriation \$ | ((2,325,000)) |
|----|--|--------------------------|

| | | |
|----|--|------------------|
| 33 | | <u>1,876,000</u> |
|----|--|------------------|

34 Salary and Insurance Increase Revolving Account

| | | |
|----|----------------------------|---------------------------|
| 35 | Appropriation \$ | ((92,156,000)) |
|----|----------------------------|---------------------------|

| | | |
|----|--|-------------------|
| 36 | | <u>68,224,000</u> |
|----|--|-------------------|

1 TOTAL APPROPRIATION \$ ((247,506,000))
2 181,910,000

3 The appropriations in this section shall be expended solely for the
4 purposes designated in this section and are subject to the following
5 conditions and limitations:

6 (1) In addition to the purposes set forth in subsections (2) and (3) of
7 this section, appropriations in this section are provided solely for a 3.7
8 percent salary increase effective July 1, 2001, for all classified
9 employees, except the certificated employees of the state schools for the
10 deaf and blind, and including those employees in the Washington management
11 service, and exempt employees under the jurisdiction of the personnel
12 resources board. (~~Funds are also provided for salary increases for
13 classified employees on July 1, 2002, in a percentage amount to be
14 determined by the 2002 legislature.~~)

15 (2) The appropriations in this section are sufficient to fund a 3.7
16 percent salary increase effective July 1, 2001, for general government,
17 legislative, and judicial employees exempt from merit system rules whose
18 maximum salaries are not set by the commission on salaries for elected
19 officials. (~~Funds are also provided for salary increases for these
20 employees on July 1, 2002, in a percentage amount to be determined by the
21 2002 legislature.~~)

22 (3) The salary and insurance increase revolving account appropriation
23 in this section includes funds sufficient to fund a 3.7 percent salary
24 increase effective July 1, 2001, for ferry workers consistent with the 2001-
25 03 transportation appropriations act. (~~Funds are also provided for salary
26 increases for ferry workers on July 1, 2002, in a percentage amount to be
27 determined by the 2002 legislature.~~)

28 (4)(a) No salary increase may be paid under this section to any person
29 whose salary has been Y-rated pursuant to rules adopted by the personnel
30 resources board.

31 (b) The average salary increases paid under this section to agency
32 officials whose maximum salaries are established by the committee on agency
33 official salaries shall not exceed the average increases provided by
34 subsection (2) of this section.

35 **Sec. 715.** 2001 2nd sp.s. c 7 s 720 (uncodified) is amended to read as
36 follows:

1 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION TECHNOLOGY REVOLVING**
2 **ACCOUNT**

| | | |
|---|--|---------------------------|
| 3 | General Fund--State Appropriation (FY 2002) . . . \$ | 11,264,000 |
| 4 | General Fund--State Appropriation (FY 2003) . . . \$ | ((11,264,000)) |
| 5 | | <u>2,364,000</u> |
| 6 | TOTAL APPROPRIATION \$ | ((22,528,000)) |
| 7 | | <u>13,628,000</u> |

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

10 (1) The appropriations in this section are for appropriation to the
11 education technology revolving account for the purpose of covering
12 operational and transport costs incurred by the K-20 educational network
13 program in providing telecommunication services to network participants

14 (2) Use of these moneys to connect public libraries are limited to
15 public libraries which have in place a policy of internet safety applied to
16 publicly available computers with internet access via the K-20 educational
17 network that protects against access to visual depictions that are (a)
18 obscene under chapter 9.68 RCW; or (b) sexual exploitation of children under
19 chapter 9.68A RCW.

20 **Sec. 716.** 2001 2nd sp.s. c 7 s 722 (uncodified) is amended to read as
21 follows:

22 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMPENSATION ACTIONS OF PERSONNEL**
23 **RESOURCES BOARD**

| | | |
|----|--|---------------------------|
| 24 | General Fund--State Appropriation (FY 2002) . . . \$ | ((9,179,000)) |
| 25 | | <u>9,183,000</u> |
| 26 | General Fund--State Appropriation (FY 2003) . . . \$ | ((18,359,000)) |
| 27 | | <u>18,369,000</u> |
| 28 | General Fund--Federal Appropriation \$ | 10,392,000 |
| 29 | Salary and Insurance Increase Revolving Account | |
| 30 | Appropriation \$ | ((2,735,000)) |
| 31 | | <u>2,809,000</u> |
| 32 | TOTAL APPROPRIATION \$ | ((40,665,000)) |
| 33 | | <u>40,753,000</u> |

34 The appropriations in this section shall be expended solely for the
35 purposes designated in this section and are subject to the following
36 conditions and limitations: Funding is provided to implement the salary
37 increase recommendations of the Washington personnel resources board for the

1 priority classes identified through item 8B pursuant to RCW 41.06.152. The
2 salary increases shall be effective January 1, 2002.

3 **Sec. 717.** 2001 2nd sp.s. c 7 s 723 (uncodified) is amended to read as
4 follows:

5 **INCENTIVE SAVINGS--FY 2002.** The sum of one hundred million dollars or
6 so much thereof as may be available on June 30, 2002, from the total amount
7 of unspent fiscal year 2002 state general fund appropriations is
8 appropriated for the purposes of RCW 43.79.460 in the manner provided in
9 this section.

10 (1) Of the total appropriated amount, one-half of that portion that is
11 attributable to incentive savings, not to exceed twenty-five million
12 dollars, is appropriated to the savings incentive account for the purpose
13 of improving the quality, efficiency, and effectiveness of agency services,
14 and credited to the agency that generated the savings.

15 (2) Of the total appropriated amount, any amount attributable to
16 unspent general fund--state appropriations in the state need grant program,
17 the state work study program, the Washington scholars program, and the
18 Washington award for vocational excellence program is appropriated to the
19 state financial aid account if Substitute House Bill No. 2914 (state
20 financial aid account) is enacted by June 30, 2002.

21 (3) The remainder of the total amount, not to exceed seventy-five
22 million dollars, is appropriated to the education savings account.

23 ((+3)) (4) For purposes of this section, the total amount of unspent
24 state general fund appropriations does not include the appropriations made
25 in this section, amounts included in allotment reductions in sections 706,
26 707, or 708 of this act, or any amounts included in across-the-board
27 allotment reductions under RCW 43.88.110.

28 **Sec. 718.** 2001 2nd sp.s. c 7 s 724 (uncodified) is amended to read as
29 follows:

30 **INCENTIVE SAVINGS--FY 2003.** The sum of one hundred million dollars or
31 so much thereof as may be available on June 30, 2003, from the total amount
32 of unspent fiscal year 2003 state general fund appropriations is
33 appropriated for the purposes of RCW 43.79.460 in the manner provided in
34 this section.

35 (1) Of the total appropriated amount, one-half of that portion that is
36 attributable to incentive savings, not to exceed twenty-five million
37 dollars, is appropriated to the savings incentive account for the purpose

1 of improving the quality, efficiency, and effectiveness of agency services,
2 and credited to the agency that generated the savings.

3 (2) Of the total appropriated amount, any amount attributable to
4 unspent general fund--state appropriations in the state need grant program,
5 the state work study program, the Washington scholars program, and the
6 Washington award for vocational excellence program is appropriated to the
7 state financial aid account if Substitute House Bill No. 2914 (state
8 financial aid account) is enacted by June 30, 2002.

9 (3) The remainder of the total amount, not to exceed seventy-five
10 million dollars, is appropriated to the education savings account.

11 ((+3)) (4) For purposes of this section, the total amount of unspent
12 state general fund appropriations does not include the appropriations made
13 in this section, amounts included in allotment reductions in sections 706,
14 707, or 708 of this act, or any amounts included in across-the-board
15 allotment reductions under RCW 43.88.110.

16 NEW SECTION. Sec. 719. A new section is added to 2001 2nd sp.s. c 7
17 (uncodified) to read as follows:

18 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**
19 **COSTS**

20 General Fund--State Appropriation (FY 2003) \$ 394,000

21 The appropriation in this section is subject to the following
22 conditions and limitations: The director of financial management shall
23 distribute the appropriation to the following counties in the amounts
24 designated for extraordinary criminal justice costs:

25 Franklin \$ 312,000
26 Stevens \$ 82,000

27 NEW SECTION. Sec. 720. A new section is added to 2001 2nd sp.s. c 7
28 (uncodified) to read as follows:

29 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--COUNTY**
30 **ASSISTANCE**

31 General Fund--State Appropriation (FY 2003) . . \$ 1,634,000
32 TOTAL APPROPRIATION \$ 1,634,000

33 The appropriation in this section is subject to the following
34 conditions and limitations: The director of community, trade, and economic
35 development shall distribute the appropriation in this section to the
36 following counties in the amounts designated:

| | | | |
|---|-------------------------------|----|-----------|
| 1 | Asotin County | \$ | 217,000 |
| 2 | Columbia County | \$ | 573,000 |
| 3 | Ferry County | \$ | 398,000 |
| 4 | Garfield County | \$ | 583,000 |
| 5 | Lincoln County | \$ | 151,000 |
| 6 | Pend Oreille County | \$ | 143,000 |
| 7 | Skamania County | \$ | 88,000 |
| 8 | Wahkiakum County | \$ | 517,000 |
| 9 | TOTAL | \$ | 2,670,000 |

10 **Sec. 721.** 2001 2nd sp.s. c 7 s 727 (uncodified) is amended to read as
11 follows:

12 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--COUNTY**
13 **CORPORATION ASSISTANCE**

| | | | |
|----|--|---------------|-------------------------|
| 14 | General Fund--State Appropriation (FY 2002) | \$ | 24,410,534 |
| 15 | ((General Fund--State Appropriation (FY 2003) | \$ | 25,137,970 |
| 16 | -----TOTAL APPROPRIATION----- | \$ | 49,548,504) |

17 The appropriation(~~s~~) in this section (~~are~~) is subject to the
18 following conditions and limitations:

19 (1)(a) The department shall withhold distributions under subsection (2)
20 of this section to any county that has not paid its fifty percent share of
21 the employer contribution on behalf of superior court judges for insurance
22 and health care plans and federal social security and medicare and medical
23 aid benefits for the fiscal year. As required by Article IV, section 13 of
24 the state Constitution and 1996 Attorney General's Opinion No. 2, it is the
25 intent of the legislature that the costs of these employer contributions
26 shall be shared equally between the state and county or counties in which
27 the judges serve.

28 (b) After receiving written notification from the office of the
29 administrator for the courts that a county has paid its fifty percent share
30 as required under (a) of this subsection, the department shall distribute
31 the amount designated for the fiscal year under subsection (2) of this
32 section.

33 (2) The director of community, trade, and economic development shall
34 distribute the appropriations to the following counties in the amounts
35 designated:

| | | | |
|----|--------|---------|-------------------------------------|
| 36 | | | ((2001-03)) |
| 37 | County | FY 2002 | ((FY 2003-----Biennium)) |

| | | | | |
|----|-----------------------------|-------------------|--------------------------------|--------------------------------|
| 1 | Adams | 290,303 | ((295,993 | 586,296)) |
| 2 | Asotin | 422,074 | ((434,598 | 856,672)) |
| 3 | Benton | 966,480 | ((999,163 | 1,965,643)) |
| 4 | Chelan | 637,688 | ((651,982 | 1,289,670)) |
| 5 | Clallam | 444,419 | ((454,391 | 898,810)) |
| 6 | Clark | 641,571 | ((678,997 | 1,320,568)) |
| 7 | Columbia | 561,888 | ((572,901 | 1,134,789)) |
| 8 | Cowlitz | 771,879 | ((795,808 | 1,567,687)) |
| 9 | Douglas | 505,585 | ((528,184 | 1,033,769)) |
| 10 | Ferry | 389,909 | ((397,551 | 787,460)) |
| 11 | Franklin | 442,624 | ((464,018 | 906,642)) |
| 12 | Garfield | 571,303 | ((582,501 | 1,153,804)) |
| 13 | Grant | 579,631 | ((604,072 | 1,183,703)) |
| 14 | Grays Harbor | 540,315 | ((550,905 | 1,091,220)) |
| 15 | Island | 483,589 | ((503,205 | 986,794)) |
| 16 | Jefferson | 239,914 | ((249,924 | 489,838)) |
| 17 | King | 2,661,862 | ((2,720,716 | 5,382,578)) |
| 18 | Kitsap | 469,992 | ((480,178 | 950,170)) |
| 19 | Kittitas | 366,971 | ((383,027 | 749,998)) |
| 20 | Klickitat | 204,726 | ((217,555 | 422,281)) |
| 21 | Lewis | 583,702 | ((598,004 | 1,181,706)) |
| 22 | Lincoln | 290,754 | ((302,151 | 592,905)) |
| 23 | Mason | 905,060 | ((930,959 | 1,836,019)) |
| 24 | Okanogan | 548,848 | ((560,332 | 1,109,180)) |
| 25 | Pacific | 344,047 | ((350,790 | 694,837)) |
| 26 | Pend Oreille | 280,342 | ((285,837 | 566,179)) |
| 27 | Pierce | 1,246,530 | ((1,284,087 | 2,530,617)) |
| 28 | San Juan | 85,712 | ((91,859 | 177,571)) |
| 29 | Skagit | 911,491 | ((944,914 | 1,856,405)) |
| 30 | Skamania | 172,840 | ((176,228 | 349,068)) |
| 31 | Snohomish | 1,017,209 | ((1,058,571 | 2,075,780)) |
| 32 | Spokane | 804,124 | ((823,359 | 1,627,483)) |
| 33 | Stevens | 811,482 | ((835,598 | 1,647,080)) |
| 34 | Thurston | 1,031,888 | ((1,061,579 | 2,093,467)) |
| 35 | Wahkiakum | 507,528 | ((517,476 | 1,025,004)) |
| 36 | Walla Walla | 241,341 | ((247,105 | 488,446)) |
| 37 | Whatcom | 408,025 | ((429,069 | 837,094)) |
| 38 | Whitman | 134,870 | ((138,191 | 273,061)) |
| 39 | Yakima | 1,892,018 | ((1,936,192 | 3,828,210)) |
| 40 | TOTAL APPROPRIATIONS | 24,410,534 | ((25,137,970 | 49,548,504)) |

41 **Sec. 722.** 2001 2nd sp.s. c 7 s 728 (uncodified) is amended to read as
42 follows:

43 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--MUNICIPAL**
44 **CORPORATION ASSISTANCE**

| | | |
|----|---|-------------------------|
| 45 | General Fund--State Appropriation (FY 2002) . . . \$ | 45,884,610 |
| 46 | ((General Fund--State Appropriation (FY 2003) . . . \$ | 47,251,839 |
| 47 | ----- TOTAL APPROPRIATION \$ | 93,136,449)) |

48 The appropriation(~~s~~) in this section (~~are~~) is subject to the
49 following conditions and limitations:

1 (1) The director of community, trade, and economic development shall
 2 distribute the appropriation to the following cities and municipalities in
 3 the amounts designated:

| 4 | | | ((2001-03)) |
|----|-------------------|----------------|--|
| 5 | City | FY 2002 | ((FY 2003 ————— Biennium)) |
| 6 | Aberdeen | 119,986 | ((123,562 ————— 243,548)) |
| 7 | Airway Heights | 111,259 | ((114,575 ————— 225,834)) |
| 8 | Albion | 66,339 | ((68,316 ————— 134,655)) |
| 9 | Algona | 32,672 | ((33,646 ————— 66,318)) |
| 10 | Almira | 12,519 | ((12,892 ————— 25,411)) |
| 11 | Anacortes | 70,930 | ((73,044 ————— 143,974)) |
| 12 | Arlington | 42,344 | ((43,606 ————— 85,950)) |
| 13 | Asotin | 57,623 | ((59,340 ————— 116,963)) |
| 14 | Auburn | 192,405 | ((198,139 ————— 390,544)) |
| 15 | Bainbridge Island | 293,851 | ((302,608 ————— 596,459)) |
| 16 | Battle Ground | 118,303 | ((121,828 ————— 240,131)) |
| 17 | Beaux Arts | 1,784 | ((1,837 ————— 3,621)) |
| 18 | Bellevue | 524,203 | ((539,824 ————— 1,064,027)) |
| 19 | Bellingham | 369,121 | ((380,121 ————— 749,242)) |
| 20 | Benton City | 111,380 | ((114,699 ————— 226,079)) |
| 21 | Bingen | 6,602 | ((6,799 ————— 13,401)) |
| 22 | Black Diamond | 254,698 | ((262,288 ————— 516,986)) |
| 23 | Blaine | 20,853 | ((21,474 ————— 42,327)) |
| 24 | Bonney Lake | 158,738 | ((163,468 ————— 322,206)) |
| 25 | Bothell | 137,270 | ((141,361 ————— 278,631)) |
| 26 | Bremerton | 214,020 | ((220,398 ————— 434,418)) |
| 27 | Brewster | 11,250 | ((11,585 ————— 22,835)) |
| 28 | Bridgeport | 188,216 | ((193,825 ————— 382,041)) |
| 29 | Brier | 532,011 | ((547,865 ————— 1,079,876)) |
| 30 | Buckley | 68,227 | ((70,260 ————— 138,487)) |
| 31 | Bucoda | 52,876 | ((54,452 ————— 107,328)) |
| 32 | Burien | 284,265 | ((292,736 ————— 577,001)) |
| 33 | Burlington | 27,407 | ((28,224 ————— 55,631)) |
| 34 | Camas | 53,654 | ((55,253 ————— 108,907)) |
| 35 | Carbonado | 56,785 | ((58,477 ————— 115,262)) |
| 36 | Carnation | 9,593 | ((9,879 ————— 19,472)) |
| 37 | Cashmere | 120,801 | ((124,401 ————— 245,202)) |
| 38 | Castle Rock | 29,980 | ((30,873 ————— 60,853)) |
| 39 | Cathlamet | 6,265 | ((6,452 ————— 12,717)) |
| 40 | Centralia | 101,426 | ((104,448 ————— 205,874)) |
| 41 | Chehalis | 34,601 | ((35,632 ————— 70,233)) |
| 42 | Chelan | 19,515 | ((20,097 ————— 39,612)) |
| 43 | Cheney | 314,316 | ((323,683 ————— 637,999)) |
| 44 | Chewelah | 66,731 | ((68,720 ————— 135,451)) |
| 45 | Clarkston | 83,910 | ((86,411 ————— 170,321)) |
| 46 | Cle Elum | 8,692 | ((8,951 ————— 17,643)) |
| 47 | Clyde Hill | 136,778 | ((140,854 ————— 277,632)) |
| 48 | Colfax | 74,672 | ((76,897 ————— 151,569)) |
| 49 | College Place | 526,480 | ((542,169 ————— 1,068,649)) |
| 50 | Colton | 27,473 | ((28,292 ————— 55,765)) |
| 51 | Colville | 23,389 | ((24,086 ————— 47,475)) |
| 52 | Conconully | 13,675 | ((14,083 ————— 27,758)) |
| 53 | Concrete | 27,006 | ((27,811 ————— 54,817)) |
| 54 | Connell | 164,950 | ((169,866 ————— 334,816)) |
| 55 | Cosmopolis | 15,395 | ((15,854 ————— 31,249)) |

| | | | |
|----|----------------|-----------|---|
| 1 | Coulee City | 2,804 | ((2,888 5,692)) |
| 2 | Coulee Dam | 61,408 | ((63,238 124,646)) |
| 3 | Coupeville | 7,708 | ((7,938 15,646)) |
| 4 | Covington | 690,851 | ((711,438 1,402,289)) |
| 5 | Creston | 12,905 | ((13,290 26,195)) |
| 6 | Cusick | 9,341 | ((9,619 18,960)) |
| 7 | Darrington | 59,838 | ((61,621 121,459)) |
| 8 | Davenport | 66,350 | ((68,327 134,677)) |
| 9 | Dayton | 92,685 | ((95,447 188,132)) |
| 10 | Deer Park | 16,059 | ((16,538 32,597)) |
| 11 | Des Moines | 1,482,120 | ((1,526,287 3,008,407)) |
| 12 | Dupont | 8,109 | ((8,351 16,460)) |
| 13 | Duvall | 66,128 | ((68,099 134,227)) |
| 14 | East Wenatchee | 30,678 | ((31,592 62,270)) |
| 15 | Eatonville | 8,848 | ((9,112 17,960)) |
| 16 | Edgewood | 901,766 | ((928,639 1,830,405)) |
| 17 | Edmonds | 456,336 | ((469,935 926,271)) |
| 18 | Electric City | 87,243 | ((89,843 177,086)) |
| 19 | Ellensburg | 81,982 | ((84,425 166,407)) |
| 20 | Elma | 84,676 | ((87,199 171,875)) |
| 21 | Elmer City | 29,811 | ((30,699 60,510)) |
| 22 | Endicott | 28,758 | ((29,615 58,373)) |
| 23 | Entiat | 58,244 | ((59,980 118,224)) |
| 24 | Enumclaw | 53,013 | ((54,593 107,606)) |
| 25 | Ephrata | 59,987 | ((61,775 121,762)) |
| 26 | Everett | 495,428 | ((510,192 1,005,620)) |
| 27 | Everson | 67,517 | ((69,529 137,046)) |
| 28 | Fairfield | 18,540 | ((19,092 37,632)) |
| 29 | Farmington | 12,072 | ((12,432 24,504)) |
| 30 | Federal Way | 470,179 | ((484,190 954,369)) |
| 31 | Ferndale | 74,669 | ((76,894 151,563)) |
| 32 | Fife | 25,411 | ((26,168 51,579)) |
| 33 | Fircrest | 386,146 | ((397,653 783,799)) |
| 34 | Forks | 110,712 | ((114,011 224,723)) |
| 35 | Friday Harbor | 9,791 | ((10,083 19,874)) |
| 36 | Garfield | 45,263 | ((46,612 91,875)) |
| 37 | George | 19,319 | ((19,895 39,214)) |
| 38 | Gig Harbor | 31,615 | ((32,557 64,172)) |
| 39 | Gold Bar | 134,531 | ((138,540 273,071)) |
| 40 | Goldendale | 49,519 | ((50,995 100,514)) |
| 41 | Grand Coulee | 5,805 | ((5,978 11,783)) |
| 42 | Grandview | 256,347 | ((263,986 520,333)) |
| 43 | Granger | 173,094 | ((178,252 351,346)) |
| 44 | Granite Falls | 10,946 | ((11,272 22,218)) |
| 45 | Hamilton | 17,437 | ((17,957 35,394)) |
| 46 | Harrah | 46,947 | ((48,346 95,293)) |
| 47 | Harrington | 18,107 | ((18,647 36,754)) |
| 48 | Hartline | 11,392 | ((11,731 23,123)) |
| 49 | Hatton | 12,176 | ((12,539 24,715)) |
| 50 | Hoquiam | 374,903 | ((386,075 760,978)) |
| 51 | Hunts Point | 2,432 | ((2,504 4,936)) |
| 52 | Ilwaco | 13,150 | ((13,542 26,692)) |
| 53 | Index | 4,181 | ((4,306 8,487)) |
| 54 | Ione | 17,566 | ((18,089 35,655)) |
| 55 | Issaquah | 50,002 | ((51,492 101,494)) |
| 56 | Kahlotus | 20,210 | ((20,812 41,022)) |
| 57 | Kalama | 7,892 | ((8,127 16,019)) |

| | | | | |
|----|-------------------|-----------|------------------------|------------------------|
| 1 | Kelso | 68,904 | ((70,957 | 139,861)) |
| 2 | Kenmore | 1,099,395 | ((1,132,157 | 2,231,552)) |
| 3 | Kennewick | 293,534 | ((302,281 | 595,815)) |
| 4 | Kent | 360,624 | ((371,371 | 731,995)) |
| 5 | Kettle Falls | 64,422 | ((66,342 | 130,764)) |
| 6 | Kirkland | 221,429 | ((228,028 | 449,457)) |
| 7 | Kittitas | 72,698 | ((74,864 | 147,562)) |
| 8 | Krupp | 4,445 | ((4,577 | 9,022)) |
| 9 | La Center | 34,415 | ((35,441 | 69,856)) |
| 10 | La Conner | 3,817 | ((3,931 | 7,748)) |
| 11 | La Crosse | 20,141 | ((20,741 | 40,882)) |
| 12 | Lacey | 143,243 | ((147,512 | 290,755)) |
| 13 | Lake Forest Park | 897,932 | ((924,690 | 1,822,622)) |
| 14 | Lake Stevens | 142,295 | ((146,535 | 288,830)) |
| 15 | Lakewood | 2,955,109 | ((3,043,171 | 5,998,280)) |
| 16 | Lamont | 7,492 | ((7,715 | 15,207)) |
| 17 | Langley | 5,303 | ((5,461 | 10,764)) |
| 18 | Latah | 11,962 | ((12,318 | 24,280)) |
| 19 | Leavenworth | 12,189 | ((12,552 | 24,741)) |
| 20 | Lind | 2,217 | ((2,283 | 4,500)) |
| 21 | Long Beach | 10,269 | ((10,575 | 20,844)) |
| 22 | Longview | 249,836 | ((257,281 | 507,117)) |
| 23 | Lyman | 16,741 | ((17,240 | 33,981)) |
| 24 | Lynden | 42,717 | ((43,990 | 86,707)) |
| 25 | Lynnwood | 163,579 | ((168,454 | 332,033)) |
| 26 | Mabton | 142,491 | ((146,737 | 289,228)) |
| 27 | Malden | 21,588 | ((22,231 | 43,819)) |
| 28 | Mansfield | 26,744 | ((27,541 | 54,285)) |
| 29 | Maple Valley | 359,478 | ((370,190 | 729,668)) |
| 30 | Marcus | 14,126 | ((14,547 | 28,673)) |
| 31 | Marysville | 102,028 | ((105,068 | 207,096)) |
| 32 | Mattawa | 100,064 | ((103,046 | 203,110)) |
| 33 | McCleary | 105,807 | ((108,960 | 214,767)) |
| 34 | Medical Lake | 114,323 | ((117,730 | 232,053)) |
| 35 | Medina | 14,355 | ((14,783 | 29,138)) |
| 36 | Mercer Island | 383,527 | ((394,956 | 778,483)) |
| 37 | Mesa | 16,835 | ((17,337 | 34,172)) |
| 38 | Metaline | 14,150 | ((14,572 | 28,722)) |
| 39 | Metaline Falls | 7,718 | ((7,948 | 15,666)) |
| 40 | Mill Creek | 174,495 | ((179,695 | 354,190)) |
| 41 | Millwood | 22,619 | ((23,293 | 45,912)) |
| 42 | Milton | 28,030 | ((28,865 | 56,895)) |
| 43 | Monroe | 56,517 | ((58,201 | 114,718)) |
| 44 | Montesano | 60,229 | ((62,024 | 122,253)) |
| 45 | Morton | 5,891 | ((6,067 | 11,958)) |
| 46 | Moses Lake | 105,670 | ((108,819 | 214,489)) |
| 47 | Mossyrock | 16,545 | ((17,038 | 33,583)) |
| 48 | Mount Vernon | 130,780 | ((134,677 | 265,457)) |
| 49 | Mountlake Terrace | 711,188 | ((732,381 | 1,443,569)) |
| 50 | Moxee | 40,448 | ((41,653 | 82,101)) |
| 51 | Mukilteo | 274,482 | ((282,662 | 557,144)) |
| 52 | Naches | 7,632 | ((7,859 | 15,491)) |
| 53 | Napavine | 96,030 | ((98,892 | 194,922)) |
| 54 | Nespelem | 17,614 | ((18,139 | 35,753)) |
| 55 | Newcastle | 290,801 | ((299,467 | 590,268)) |
| 56 | Newport | 13,223 | ((13,617 | 26,840)) |
| 57 | Nooksack | 58,178 | ((59,912 | 118,090)) |

| | | | | |
|----|------------------|-----------|------------------------|------------------------|
| 1 | Normandy Park | 489,113 | ((503,689 | 992,802)) |
| 2 | North Bend | 20,754 | ((21,372 | 42,126)) |
| 3 | North Bonneville | 30,574 | ((31,485 | 62,059)) |
| 4 | Northport | 23,489 | ((24,189 | 47,678)) |
| 5 | Oak Harbor | 278,157 | ((286,446 | 564,603)) |
| 6 | Oakesdale | 31,060 | ((31,986 | 63,046)) |
| 7 | Oakville | 43,411 | ((44,705 | 88,116)) |
| 8 | Ocean Shores | 64,837 | ((66,769 | 131,606)) |
| 9 | Odessa | 4,721 | ((4,862 | 9,583)) |
| 10 | Okanogan | 12,323 | ((12,690 | 25,013)) |
| 11 | Olympia | 198,476 | ((204,391 | 402,867)) |
| 12 | Omak | 26,117 | ((26,895 | 53,012)) |
| 13 | Oroville | 12,506 | ((12,879 | 25,385)) |
| 14 | Orting | 191,211 | ((196,909 | 388,120)) |
| 15 | Othello | 26,808 | ((27,607 | 54,415)) |
| 16 | Pacific | 69,124 | ((71,184 | 140,308)) |
| 17 | Palouse | 55,067 | ((56,708 | 111,775)) |
| 18 | Pasco | 131,298 | ((135,211 | 266,509)) |
| 19 | Pateros | 28,021 | ((28,856 | 56,877)) |
| 20 | Pe Ell | 54,800 | ((56,433 | 111,233)) |
| 21 | Pomeroy | 52,485 | ((54,049 | 106,534)) |
| 22 | Port Angeles | 124,595 | ((128,308 | 252,903)) |
| 23 | Port Orchard | 41,797 | ((43,043 | 84,840)) |
| 24 | Port Townsend | 47,126 | ((48,530 | 95,656)) |
| 25 | Poulsbo | 31,812 | ((32,760 | 64,572)) |
| 26 | Prescott | 12,349 | ((12,717 | 25,066)) |
| 27 | Prosser | 24,137 | ((24,856 | 48,993)) |
| 28 | Pullman | 584,659 | ((602,082 | 1,186,741)) |
| 29 | Puyallup | 151,732 | ((156,254 | 307,986)) |
| 30 | Quincy | 20,244 | ((20,847 | 41,091)) |
| 31 | Rainier | 111,521 | ((114,844 | 226,365)) |
| 32 | Raymond | 85,311 | ((87,853 | 173,164)) |
| 33 | Reardan | 38,184 | ((39,322 | 77,506)) |
| 34 | Redmond | 215,259 | ((221,674 | 436,933)) |
| 35 | Renton | 235,053 | ((242,058 | 477,111)) |
| 36 | Republic | 25,085 | ((25,833 | 50,918)) |
| 37 | Richland | 441,733 | ((454,897 | 896,630)) |
| 38 | Ridgefield | 55,637 | ((57,295 | 112,932)) |
| 39 | Ritzville | 8,498 | ((8,751 | 17,249)) |
| 40 | Riverside | 27,204 | ((28,015 | 55,219)) |
| 41 | Rock Island | 36,527 | ((37,616 | 74,143)) |
| 42 | Rockford | 18,965 | ((19,530 | 38,495)) |
| 43 | Rosalia | 36,719 | ((37,813 | 74,532)) |
| 44 | Roslyn | 64,571 | ((66,495 | 131,066)) |
| 45 | Roy | 1,709 | ((1,760 | 3,469)) |
| 46 | Royal City | 66,657 | ((68,643 | 135,300)) |
| 47 | Ruston | 50,309 | ((51,808 | 102,117)) |
| 48 | Sammamish | 2,361,433 | ((2,431,804 | 4,793,237)) |
| 49 | Seatac | 132,183 | ((136,122 | 268,305)) |
| 50 | Seattle | 3,189,346 | ((3,284,389 | 6,473,735)) |
| 51 | Sedro-Woolley | 54,896 | ((56,532 | 111,428)) |
| 52 | Selah | 80,704 | ((83,109 | 163,813)) |
| 53 | Sequim | 21,867 | ((22,519 | 44,386)) |
| 54 | Shelton | 58,160 | ((59,893 | 118,053)) |
| 55 | Shoreline | 1,485,138 | ((1,529,395 | 3,014,533)) |
| 56 | Skykomish | 1,417 | ((1,459 | 2,876)) |
| 57 | Snohomish | 40,722 | ((41,936 | 82,658)) |

| | | | | |
|----|------------------|-----------|------------------------|------------------------|
| 1 | Snoqualmie | 9,587 | ((9,873 | 19,460)) |
| 2 | Soap Lake | 102,783 | ((105,846 | 208,629)) |
| 3 | South Bend | 75,826 | ((78,086 | 153,912)) |
| 4 | South Cle Elum | 46,847 | ((48,243 | 95,090)) |
| 5 | South Prairie | 18,788 | ((19,348 | 38,136)) |
| 6 | Spangle | 1,397 | ((1,439 | 2,836)) |
| 7 | Spokane | 1,116,419 | ((1,149,688 | 2,266,107)) |
| 8 | Sprague | 22,930 | ((23,613 | 46,543)) |
| 9 | Springdale | 11,080 | ((11,410 | 22,490)) |
| 10 | St. John | 4,245 | ((4,372 | 8,617)) |
| 11 | Stanwood | 21,141 | ((21,771 | 42,912)) |
| 12 | Starbuck | 8,949 | ((9,216 | 18,165)) |
| 13 | Steilacoom | 285,807 | ((294,324 | 580,131)) |
| 14 | Stevenson | 11,673 | ((12,021 | 23,694)) |
| 15 | Sultan | 63,199 | ((65,082 | 128,281)) |
| 16 | Sumas | 7,885 | ((8,120 | 16,005)) |
| 17 | Sumner | 41,931 | ((43,181 | 85,112)) |
| 18 | Sunnyside | 70,805 | ((72,915 | 143,720)) |
| 19 | Tacoma | 1,384,646 | ((1,425,908 | 2,810,554)) |
| 20 | Tekoa | 49,373 | ((50,844 | 100,217)) |
| 21 | Tenino | 68,820 | ((70,871 | 139,691)) |
| 22 | Tieton | 74,506 | ((76,726 | 151,232)) |
| 23 | Toledo | 8,084 | ((8,325 | 16,409)) |
| 24 | Tonasket | 5,500 | ((5,664 | 11,164)) |
| 25 | Toppenish | 443,488 | ((456,704 | 900,192)) |
| 26 | Tukwila | 75,320 | ((77,565 | 152,885)) |
| 27 | Tumwater | 61,848 | ((63,691 | 125,539)) |
| 28 | Twisp | 4,793 | ((4,936 | 9,729)) |
| 29 | Union Gap | 27,129 | ((27,937 | 55,066)) |
| 30 | Uniontown | 19,805 | ((20,395 | 40,200)) |
| 31 | University Place | 1,889,912 | ((1,946,231 | 3,836,143)) |
| 32 | Vader | 40,643 | ((41,854 | 82,497)) |
| 33 | Vancouver | 1,177,584 | ((1,212,676 | 2,390,260)) |
| 34 | Waitsburg | 81,097 | ((83,514 | 164,611)) |
| 35 | Walla Walla | 318,679 | ((328,176 | 646,855)) |
| 36 | Wapato | 230,783 | ((237,660 | 468,443)) |
| 37 | Warden | 105,612 | ((108,759 | 214,371)) |
| 38 | Washougal | 177,022 | ((182,297 | 359,319)) |
| 39 | Washtucna | 20,654 | ((21,269 | 41,923)) |
| 40 | Waterville | 72,880 | ((75,052 | 147,932)) |
| 41 | Waverly | 10,256 | ((10,562 | 20,818)) |
| 42 | Wenatchee | 147,602 | ((152,001 | 299,603)) |
| 43 | West Richland | 489,752 | ((504,347 | 994,099)) |
| 44 | Westport | 13,715 | ((14,124 | 27,839)) |
| 45 | White Salmon | 53,746 | ((55,348 | 109,094)) |
| 46 | Wilbur | 23,614 | ((24,318 | 47,932)) |
| 47 | Wilkeson | 18,762 | ((19,321 | 38,083)) |
| 48 | Wilson Creek | 18,403 | ((18,951 | 37,354)) |
| 49 | Winlock | 35,212 | ((36,261 | 71,473)) |
| 50 | Winthrop | 1,756 | ((1,808 | 3,564)) |
| 51 | Woodinville | 56,052 | ((57,722 | 113,774)) |
| 52 | Woodland | 17,960 | ((18,495 | 36,455)) |
| 53 | Woodway | 12,513 | ((12,886 | 25,399)) |
| 54 | Yacolt | 36,636 | ((37,728 | 74,364)) |
| 55 | Yakima | 487,766 | ((502,301 | 990,067)) |
| 56 | Yarrow Point | 32,121 | ((33,078 | 65,199)) |
| 57 | Yelm | 15,677 | ((16,144 | 31,821)) |

| | | | | |
|---|-----------------------------|-------------------|--------------------------------|--------------------------------|
| 1 | Zillah | 100,818 | ((103,822 | 204,640)) |
| 2 | TOTAL APPROPRIATIONS | 45,545,942 | ((46,903,217 | 92,449,159)) |

3 (2) \$338,668 for fiscal year 2002 (~~(and \$348,622 for fiscal year 2003)~~)
4 from this appropriation (~~(are)~~) is provided solely to address the
5 contingencies listed in this subsection. The department shall distribute
6 the moneys no later than March 31, 2002, (~~(and March 31, 2003,)~~) for the
7 respective appropriations. Moneys shall be distributed for the following
8 purposes, ranked in order of priority:

9 (a) To correct for data errors in the determination of distributions in
10 subsection (1) of this section;

11 (b) To distribute to newly qualifying jurisdictions as if the
12 jurisdiction had been in existence prior to November 1999;

13 (c) To allocate under emergency situations as determined by the
14 director of the department of community, trade, and economic development in
15 consultation with the association of Washington cities; and

16 (d) After April 1 (~~(st of each year in the fiscal biennium ending June~~
17 ~~30, 2003)), 2001, any moneys remaining from the amounts provided in this
18 subsection shall be prorated and distributed to cities and towns on the
19 basis of the amounts distributed for emergency considerations in November
20 2000 as provided in section 729, chapter 1, Laws of 2000, 2nd sp. sess.~~

21 **Sec. 723.** 2001 2nd sp.s. c 7 s 730 (uncodified) is amended to read as
22 follows:

23 **FOR THE LIABILITY ACCOUNT**

| | | | | |
|----|---|-----------|----|--------------------------|
| 24 | <u>General Fund--State Appropriation (FY 2002)</u> | | \$ | <u>12,000,000</u> |
| 25 | General Fund--State Appropriation (FY 2003) | | \$ | ((6,392,000)) |
| 26 | | | | <u>19,392,000</u> |
| 27 | ((State Surplus Assets Reserve Fund--State | | | |
| 28 | Appropriation | | \$ | 25,000,000)) |
| 29 | TOTAL APPROPRIATION | | \$ | 31,392,000 |

30 The appropriations in this section are provided solely for deposit in
31 the liability account.

32 **NEW SECTION. Sec. 724.** A new section is added to 2001 2nd sp.s. c 7
33 (uncodified) to read as follows:

34 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may be
35 necessary, are appropriated from the general fund, unless otherwise
36 indicated, for relief of various individuals, firms, and corporations for
37 sundry claims. These appropriations are to be disbursed on vouchers

1 approved by the director of general administration, except as otherwise
2 provided, as follows:

3 (1) Reimbursement of criminal defendants acquitted on the basis of
4 self-defense, pursuant to RCW 9A.16.110:

| | | |
|----|---|--------|
| 5 | (a) Eythor Westman, claim number SCJ 02-01 . . . \$ | 7,000 |
| 6 | (b) Stacey Julian, claim number SCJ 02-02 \$ | 59,136 |
| 7 | (c) Christopher Denney, claim number SCJ 02-03 . . . \$ | 11,598 |
| 8 | (d) Onofre Vasquez, claim number SCJ 02-04 . . . \$ | 200 |
| 9 | (e) William Voorhees, claim number SCJ 02-05 . . . \$ | 3,694 |
| 10 | (f) Glenn Rowlison, claim number SCJ 02-06 . . . \$ | 14,395 |
| 11 | (g) Frankie Doerr, claim number SCJ 02-07 \$ | 9,100 |
| 12 | (h) Ralph Howard, claim number SCJ 00-09 \$ | 99,497 |
| 13 | (i) Johnny Adams, claim number SCJ 01-17 \$ | 11,916 |
| 14 | (j) Shane Mathus, claim number SCJ 02-08 \$ | 13,043 |
| 15 | (k) Timothy Farnum, claim number SCJ 02-09 . . . \$ | 21,822 |
| 16 | (l) Rebecca Williams, claim number SCJ 02-10 . . . \$ | 2,241 |
| 17 | (m) Stewart Bailey, claim number SCJ 02-11 . . . \$ | 4,186 |
| 18 | (n) Aaron Knaack, claim number SCJ 02-13 \$ | 4,330 |
| 19 | (o) Jacob Clark, claim number SCJ 02-14 \$ | 11,613 |

20 (2) Payment from the state wildlife account for damage to crops by
21 wildlife, pursuant to RCW 77.36.050:

| | | |
|----|--|-------|
| 22 | (a) Ronald Palmer, claim number SCG 02-01 \$ | 1,522 |
| 23 | (b) Keith Morris, claim number SCG 02-02 \$ | 1,315 |
| 24 | (c) Edgar Roush, claim number SCG 02-03 \$ | 1,459 |

25 (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)) 7,526,700

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)) 57,405,032

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 appropriations
5 in this section shall not exceed the funds available under statutory
6 distributions for the stated purposes.

7 **Sec. 802.** 2001 2nd sp.s. c 7 s 805 (uncodified) is amended to read as
8 follows:

9 **FOR THE STATE TREASURER--TRANSFERS**

10 For transfers in this section to the state general fund, pursuant to
11 RCW 43.135.035(5), the state expenditure limit shall be increased by the
12 amount of the transfer. The increase shall occur in the fiscal year in
13 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 | Local Toxics Control Account: For transfer | | |
| 25 | to the state toxics control account. | | |
| 26 | Transferred funds will be utilized | | |
| 27 | for methamphetamine lab cleanup, to | | |
| 28 | address areawide soil contamination | | |
| 29 | problems, and clean up contaminated | | |
| 30 | sites as part of the clean sites | | |
| 31 | initiative | \$ | 6,000,000 |
| 32 | State Toxics Control Account: For transfer | | |
| 33 | to the water quality account for water | | |
| 34 | quality related projects funded in the | | |
| 35 | capital budget | \$ | 9,000,000 |
| 36 | General Fund: For transfer to the flood | | |

| | | | |
|----|--|----|----------------------------|
| 1 | control assistance account | \$ | 4,000,000 |
| 2 | Water Quality Account: For transfer to the | | |
| 3 | water pollution control account. Transfers | | |
| 4 | shall be made at intervals coinciding with | | |
| 5 | deposits of federal capitalization grant | | |
| 6 | money into the account. The amounts | | |
| 7 | transferred shall not exceed the match | | |
| 8 | required for each federal deposit | \$ | 12,564,487 |
| 9 | <u>Health Services Account: For transfer</u> | | |
| 10 | <u>to the water quality account</u> | \$ | <u>6,447,500</u> |
| 11 | State Treasurer's Service Account: For | | |
| 12 | transfer to the general fund on or | | |
| 13 | before June 30, 2003, an amount in excess | | |
| 14 | of the cash requirements of the state | | |
| 15 | treasurer's service account. Pursuant to | | |
| 16 | RCW 43.135.035(5), the state expenditure | | |
| 17 | limit shall be increased <u>by \$4,000,000 in</u> | | |
| 18 | <u>fiscal year 2002 and by \$8,587,000 in fiscal</u> | | |
| 19 | <u>year 2003 to reflect this transfer</u> | \$ | ((8,000,000)) |
| 20 | | | <u>12,587,000</u> |
| 21 | Public Works Assistance Account: For | | |
| 22 | transfer to the drinking water | | |
| 23 | assistance account | \$ | 7,700,000 |
| 24 | Tobacco Settlement Account: For transfer | | |
| 25 | to the health services account, in an | | |
| 26 | amount not to exceed the actual balance | | |
| 27 | of the tobacco settlement account | \$ | ((310,000,000)) |
| 28 | | | <u>265,000,000</u> |
| 29 | General Fund: For transfer to the water quality | | |
| 30 | account | \$ | ((60,325,000)) |
| 31 | | | <u>60,821,172</u> |
| 32 | Health Services Account: For | | |
| 33 | transfer to the state general fund | | |
| 34 | by June 30, 2002. Pursuant to RCW | | |
| 35 | 43.135.035(5), the state expenditure | | |
| 36 | limit shall be increased in fiscal | | |
| 37 | year 2002 to reflect this transfer | \$ | 130,000,000 |
| 38 | Health Services Account: For | | |
| 39 | transfer to the state general fund | | |

1 ((by)) on June ((30)) 28, 2003. Pursuant
2 to RCW 43.135.035(5), the state expenditure
3 limit shall be increased in fiscal
4 year 2003 to reflect this transfer \$ 20,000,000
5 (~~State Surplus Assets Reserve Fund: For~~
6 ~~transfer to the multimodal transportation~~
7 ~~account by June 30, 2002~~ \$ ~~70,000,000~~)
8 Multimodal Transportation Account: For
9 transfer to the state general fund
10 by June 30, 2002. Pursuant to RCW
11 43.135.035(5), the state expenditure
12 limit shall be increased in fiscal
13 year 2002 to reflect this transfer \$ 70,000,000
14 Health Service Account: For transfer
15 to the violence reduction and drug
16 enforcement account \$ 6,497,500
17 Gambling Revolving Account: For transfer
18 to the state general fund, \$2,000,000
19 for fiscal year 2002 and \$450,000 for
20 fiscal year 2003 \$ 2,450,000
21 Horticultural Districts Account: For transfer
22 to the fruit and vegetable inspection
23 account \$ 11,075,000
24 Agricultural Local Account: For
25 transfer to the fruit and vegetable
26 inspection account \$ 605,000
27 Nisqually Earthquake Account: For transfer to
28 the disaster response account for fire
29 suppression and mobilization costs \$ 32,698,000
30 Enhanced 911 Account: For transfer to
31 the state general fund for fiscal
32 year 2003 \$ 6,000,000
33 Clarke-McNary Fund: For transfer to the
34 state general fund for fiscal year 2002 \$ 4,000,000
35 State Investment Board Expense Account: For
36 transfer to the state general fund for
37 fiscal year 2003 \$ 194,000
38 State Drought Preparedness Account: For
39 transfer to the state general fund for

| | | | |
|----|---|-----------|------------------|
| 1 | <u>fiscal year 2002</u> | <u>\$</u> | <u>3,000,000</u> |
| 2 | <u>Financial Services Regulation Fund: For</u> | | |
| 3 | <u>transfer to the state general fund,</u> | | |
| 4 | <u>\$2,250,000 for fiscal year 2002 and</u> | | |
| 5 | <u>\$357,000 for fiscal year 2003</u> | <u>\$</u> | <u>2,607,000</u> |
| 6 | <u>Off-Road Vehicle (ORV) Account: For</u> | | |
| 7 | <u>transfer to the state general fund</u> | | |
| 8 | <u>for fiscal year 2003</u> | <u>\$</u> | <u>57,000</u> |
| 9 | <u>Snowmobile Account: For transfer</u> | | |
| 10 | <u>to the state general fund for</u> | | |
| 11 | <u>fiscal year 2003</u> | <u>\$</u> | <u>70,000</u> |
| 12 | <u>Insurance Commissioner's Regulatory Account:</u> | | |
| 13 | <u>For transfer to the state general fund</u> | | |
| 14 | <u>for fiscal year 2003</u> | <u>\$</u> | <u>366,000</u> |
| 15 | <u>Worker and Community Right to Know Account:</u> | | |
| 16 | <u>For transfer to the state general fund</u> | | |
| 17 | <u>for fiscal year 2003</u> | <u>\$</u> | <u>53,000</u> |
| 18 | <u>Industrial Insurance Premium Refund Account:</u> | | |
| 19 | <u>For transfer to the state general fund</u> | | |
| 20 | <u>for fiscal year 2002</u> | <u>\$</u> | <u>1,000,000</u> |
| 21 | <u>Liquor Control Board Construction and</u> | | |
| 22 | <u>Maintenance Account: For transfer</u> | | |
| 23 | <u>to the state general fund for fiscal</u> | | |
| 24 | <u>year 2003</u> | <u>\$</u> | <u>1,067,000</u> |
| 25 | <u>Horse Racing Commission Account: For transfer</u> | | |
| 26 | <u>to the state general fund for fiscal</u> | | |
| 27 | <u>year 2003</u> | <u>\$</u> | <u>68,000</u> |
| 28 | <u>State Convention and Trade Center Operations</u> | | |
| 29 | <u>Account: For transfer to the state</u> | | |
| 30 | <u>general fund for fiscal year 2003</u> | <u>\$</u> | <u>579,000</u> |
| 31 | <u>Lottery Administrative Account: For transfer</u> | | |
| 32 | <u>to the state general fund for fiscal</u> | | |
| 33 | <u>year 2003</u> | <u>\$</u> | <u>335,000</u> |
| 34 | <u>Waste Reduction, Recycling, and Litter Control</u> | | |
| 35 | <u>Account: For transfer to the state general</u> | | |
| 36 | <u>fund for fiscal year 2003</u> | <u>\$</u> | <u>187,000</u> |
| 37 | <u>Air Operating Permit Account: For transfer</u> | | |
| 38 | <u>to the state general fund for fiscal</u> | | |
| 39 | <u>year 2003</u> | <u>\$</u> | <u>54,000</u> |

| | | |
|----|---|---------------------|
| 1 | <u>Hazardous Waste Assistance Account: For</u> | |
| 2 | <u>transfer to the state general fund</u> | |
| 3 | <u>for fiscal year 2003</u> | <u>\$ 54,000</u> |
| 4 | <u>Local Toxics Control Account: For transfer</u> | |
| 5 | <u>to the state general fund, \$4,000,000</u> | |
| 6 | <u>for fiscal year 2002 and \$77,000 for</u> | |
| 7 | <u>fiscal year 2003</u> | <u>\$ 4,077,000</u> |
| 8 | <u>State Toxics Control Account: For transfer</u> | |
| 9 | <u>to the state general fund for fiscal</u> | |
| 10 | <u>year 2003</u> | <u>\$ 770,000</u> |
| 11 | <u>Water Quality Account: For transfer</u> | |
| 12 | <u>to the state general fund for fiscal</u> | |
| 13 | <u>year 2003</u> | <u>\$ 40,000</u> |
| 14 | <u>Emergency Medical Services and Trauma Care</u> | |
| 15 | <u>System Trust Account: For transfer</u> | |
| 16 | <u>to the state general fund for fiscal</u> | |
| 17 | <u>year 2002</u> | <u>\$ 6,000,000</u> |
| 18 | <u>Wildlife Account: For transfer to the state</u> | |
| 19 | <u>general fund for fiscal year 2003</u> | <u>\$ 723,000</u> |
| 20 | <u>Warm Water Game Fish Account: For transfer</u> | |
| 21 | <u>to the state general fund for fiscal</u> | |
| 22 | <u>year 2003</u> | <u>\$ 49,000</u> |
| 23 | <u>Aquatic Lands Enhancement Account: For transfer</u> | |
| 24 | <u>to the state general fund for fiscal</u> | |
| 25 | <u>year 2003</u> | <u>\$ 197,000</u> |
| 26 | <u>State Parks Renewal and Stewardship Account:</u> | |
| 27 | <u>For transfer to the state general fund</u> | |
| 28 | <u>for fiscal year 2003</u> | <u>\$ 378,000</u> |
| 29 | <u>Public Service Revolving Account: For transfer</u> | |
| 30 | <u>to the state general fund for fiscal</u> | |
| 31 | <u>year 2003</u> | <u>\$ 406,000</u> |
| 32 | <u>Local Leasehold Excise Tax Account: For transfer</u> | |
| 33 | <u>of interest to the state general fund by</u> | |
| 34 | <u>June 1, 2002, for fiscal year 2002</u> | <u>\$ 1,000,000</u> |
| 35 | <u>Water Quality Permit Account: For transfer</u> | |
| 36 | <u>to the state general fund for fiscal</u> | |
| 37 | <u>year 2003</u> | <u>\$ 362,000</u> |
| 38 | <u>Oil Spill Prevention Account: For transfer</u> | |
| 39 | <u>to the state general fund for fiscal</u> | |

| | | | |
|---|---|-----------|-------------------|
| 1 | <u>year 2003</u> | <u>\$</u> | <u>163,000</u> |
| 2 | <u>Insurance Commissioner's Regulatory Account:</u> | | |
| 3 | <u>For transfer to the state general fund</u> | | |
| 4 | <u>for fiscal year 2003</u> | <u>\$</u> | <u>366,000</u> |
| 5 | <u>Health Services Account: For transfer to the</u> | | |
| 6 | <u>tobacco prevention and control account \$</u> | | <u>21,980,000</u> |
| 7 | <u>Anti-Trust Revolving Account: For transfer</u> | | |
| 8 | <u>to the state general fund for fiscal year</u> | | |
| 9 | <u>2003</u> | <u>\$</u> | <u>67,000</u> |

10 (End of part)

1 **PART IX**
2 **MISCELLANEOUS**

3 **Sec. 901.** RCW 9.46.100 and 1991 sp.s. c 16 s 917 are each amended to
4 read as follows:

5 There is hereby created the gambling revolving fund which shall consist
6 of all moneys receivable for licensing, penalties, forfeitures, and all
7 other moneys, income, or revenue received by the commission. The state
8 treasurer shall be custodian of the fund. All moneys received by the
9 commission or any employee thereof, except for change funds and an amount
10 of petty cash as fixed by rule or regulation of the commission, shall be
11 deposited each day in a depository approved by the state treasurer and
12 transferred to the state treasurer to be credited to the gambling revolving
13 fund. Disbursements from the revolving fund shall be on authorization of
14 the commission or a duly authorized representative thereof. In order to
15 maintain an effective expenditure and revenue control the gambling revolving
16 fund shall be subject in all respects to chapter 43.88 RCW but no
17 appropriation shall be required to permit expenditures and payment of
18 obligations from such fund. All expenses relative to commission business,
19 including but not limited to salaries and expenses of the director and other
20 commission employees shall be paid from the gambling revolving fund.

21 (~~The state treasurer shall transfer to the general fund one million~~
22 ~~dollars from the gambling revolving fund for the 1991-93 fiscal biennium.~~)
23 During the 2001-2003 fiscal biennium, the legislature may transfer from the
24 gambling revolving fund to the state general fund such amounts as reflect
25 the excess fund balance of the fund and reductions made by the 2002
26 supplemental appropriations act for administrative efficiencies and savings.

27 **Sec. 902.** RCW 28B.50.837 and 1993 c 87 s 1 are each amended to read as
28 follows:

29 (1) The Washington community and technical college exceptional faculty
30 awards program is established. The program shall be administered by the
31 college board. The college faculty awards trust fund hereby created shall
32 be administered by the state treasurer.

33 (2) Funds appropriated by the legislature for the community and
34 technical college exceptional faculty awards program shall be deposited in
35 the college faculty awards trust fund. At the request of the college board,

1 the treasurer shall release the state matching funds to the local endowment
2 fund of the college or its foundation. No appropriation is necessary for
3 the expenditure of moneys from the fund. During the 2001-2003 fiscal
4 biennium, the legislature may appropriate funds from the college faculty
5 awards trust fund for the purposes of the settlement costs of the Mader v.
6 State litigation regarding retirement contributions on behalf of part-time
7 faculty.

8 **Sec. 903.** RCW 38.52.106 and 2001 c 5 s 2 are each amended to read as
9 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 or
12 appropriations, federal appropriations, gifts, or any other lawful source.
13 Moneys in the account may be spent only after appropriation. Moneys in the
14 account shall be used only to support state and local government disaster
15 response and recovery efforts associated with the Nisqually earthquake.
16 During the 2001-2003 fiscal biennium, the legislature may transfer moneys
17 from the Nisqually earthquake account to the disaster response account for
18 fire suppression and mobilization costs.

19 **Sec. 904.** RCW 38.52.540 and 2001 c 128 s 2 are each amended to read as
20 follows:

21 The enhanced 911 account is created in the state treasury. All
22 receipts from the state enhanced 911 excise tax imposed by RCW 82.14B.030
23 shall be deposited into the account. Moneys in the account shall be used
24 only to support the statewide coordination and management of the enhanced
25 911 system and to help supplement, within available funds, the operational
26 costs of the system. Funds shall not be distributed to any county that has
27 not imposed the maximum county enhanced 911 taxes allowed under RCW
28 82.14B.030 (1) and (2). The state enhanced 911 coordinator, with the advice
29 and assistance of the enhanced 911 advisory committee, is authorized to
30 enter into statewide agreements to improve the efficiency of enhanced 911
31 services for all counties and shall specify by rule the additional purposes
32 for which moneys, if available, may be expended from this account. During
33 the 2001-2003 fiscal biennium, the legislature may transfer from the
34 enhanced 911 account to the state general fund such amounts as reflect the
35 excess fund balance of the account.

1 **Sec. 905.** RCW 41.06.150 and 1999 c 297 s 3 are each amended to read as
2 follows:

3 The board shall adopt rules, consistent with the purposes and
4 provisions of this chapter, as now or hereafter amended, and with the best
5 standards of personnel administration, regarding the basis and procedures
6 to be followed for:

7 (1) The reduction, dismissal, suspension, or demotion of an employe

8 (2) Certification of names for vacancies, including departmental
9 promotions, with the number of names equal to six more names than there are
10 vacancies to be filled, such names representing applicants rated highest on
11 eligibility lists: PROVIDED, That when other applicants have scores equal
12 to the lowest score among the names certified, their names shall also be
13 certified;

14 (3) Examinations for all positions in the competitive and
15 noncompetitive service;

16 (4) Appointments;

17 (5) Training and career development;

18 (6) Probationary periods of six to twelve months and rejections of
19 probationary employees, depending on the job requirements of the class,
20 except that entry level state park rangers shall serve a probationary period
21 of twelve months;

22 (7) Transfers;

23 (8) Sick leaves and vacations;

24 (9) Hours of work;

25 (10) Layoffs when necessary and subsequent reemployment, both according
26 to seniority;

27 (11) Determination of appropriate bargaining units within any agency:
28 PROVIDED, That in making such determination the board shall consider the
29 duties, skills, and working conditions of the employees, the history of
30 collective bargaining by the employees and their bargaining representatives,
31 the extent of organization among the employees, and the desires of the
32 employees;

33 (12) Certification and decertification of exclusive bargaining
34 representatives: PROVIDED, That after certification of an exclusive
35 bargaining representative and upon the representative's request, the
36 director shall hold an election among employees in a bargaining unit to
37 determine by a majority whether to require as a condition of employment
38 membership in the certified exclusive bargaining representative on or after
39 the thirtieth day following the beginning of employment or the date of such

1 election, whichever is the later, and the failure of an employee to comply
2 with such a condition of employment constitutes cause for dismissal:
3 PROVIDED FURTHER, That no more often than once in each twelve-month period
4 after expiration of twelve months following the date of the original
5 election in a bargaining unit and upon petition of thirty percent of the
6 members of a bargaining unit the director shall hold an election to
7 determine whether a majority wish to rescind such condition of employment:
8 PROVIDED FURTHER, That for purposes of this clause, membership in the
9 certified exclusive bargaining representative is satisfied by the payment
10 of monthly or other periodic dues and does not require payment of
11 initiation, reinstatement, or any other fees or fines and includes full and
12 complete membership rights: AND PROVIDED FURTHER, That in order to
13 safeguard the right of nonassociation of public employees, based on bona
14 fide religious tenets or teachings of a church or religious body of which
15 such public employee is a member, such public employee shall pay to the
16 union, for purposes within the program of the union as designated by such
17 employee that would be in harmony with his or her individual conscience, an
18 amount of money equivalent to regular union dues minus any included monthly
19 premiums for union-sponsored insurance programs, and such employee shall not
20 be a member of the union but is entitled to all the representation rights
21 of a union member;

22 (13) Agreements between agencies and certified exclusive bargaining
23 representatives providing for grievance procedures and collective
24 negotiations on all personnel matters over which the appointing authority
25 of the appropriate bargaining unit of such agency may lawfully exercise
26 discretion;

27 (14) Written agreements may contain provisions for payroll deductions
28 of employee organization dues upon authorization by the employee member and
29 for the cancellation of such payroll deduction by the filing of a proper
30 prior notice by the employee with the appointing authority and the employee
31 organization: PROVIDED, That nothing contained herein permits or grants to
32 any employee the right to strike or refuse to perform his or her official
33 duties;

34 (15) Adoption and revision of a comprehensive classification plan for
35 all positions in the classified service, based on investigation and analysis
36 of the duties and responsibilities of each such position.

37 (a) The board shall not adopt job classification revisions or class
38 studies unless implementation of the proposed revision or study will result
39 in net cost savings, increased efficiencies, or improved management of

1 personnel or services, and the proposed revision or study has been approved
2 by the director of financial management in accordance with chapter 43.88
3 RCW.

4 (b) Beginning July 1, 1995, through June 30, 1997, in addition to the
5 requirements of (a) of this subsection:

6 (i) The board may approve the implementation of salary increases
7 resulting from adjustments to the classification plan during the 1995-97
8 fiscal biennium only if:

9 (A) The implementation will not result in additional net costs and the
10 proposed implementation has been approved by the director of financial
11 management in accordance with chapter 43.88 RCW;

12 (B) The implementation will take effect on July 1, 1996, and the total
13 net cost of all such actions approved by the board for implementation during
14 the 1995-97 fiscal biennium does not exceed the amounts specified by the
15 legislature specifically for this purpose; or

16 (C) The implementation is a result of emergent conditions. Emergent
17 conditions are defined as emergency situations requiring the establishment
18 of positions necessary for the preservation of the public health, safety,
19 or general welfare, which do not exceed \$250,000 of the moneys identified
20 in section 718(2), chapter 18, Laws of 1995 2nd sp. sess.

21 (ii) The board shall approve only those salary increases resulting from
22 adjustments to the classification plan if they are due to documented
23 recruitment and retention difficulties, salary compression or inversion,
24 increased duties and responsibilities, or inequities. For these purposes,
25 inequities are defined as similar work assigned to different job classes
26 with a salary disparity greater than 7.5 percent.

27 (iii) Adjustments made to the higher education hospital special pay
28 plan are exempt from (b)(i) through (ii) of this subsection.

29 (c) Reclassifications, class studies, and salary adjustments to be
30 implemented during the 1997-99 and subsequent fiscal biennia are governed
31 by (a) of this subsection and RCW 41.06.152;

32 (16) Allocation and reallocation of positions within the classification
33 plan;

34 (17) Adoption and revision of a state salary schedule to reflect the
35 prevailing rates in Washington state private industries and other
36 governmental units but the rates in the salary schedules or plans shall be
37 increased if necessary to attain comparable worth under an implementation
38 plan under RCW 41.06.155 and that, for institutions of higher education and
39 related boards, shall be competitive for positions of a similar nature in

1 the state or the locality in which an institution of higher education or
2 related board is located, such adoption and revision subject to approval by
3 the director of financial management in accordance with the provisions of
4 chapter 43.88 RCW;

5 (18) Increment increases within the series of steps for each pay grade
6 based on length of service for all employees whose standards of performance
7 are such as to permit them to retain job status in the classified service;

8 (19) Optional lump sum relocation compensation approved by the agency
9 director, whenever it is reasonably necessary that a person make a
10 domiciliary move in accepting a transfer or other employment with the state.
11 An agency must provide lump sum compensation within existing resources. If
12 the person receiving the relocation payment terminates or causes termination
13 with the state, for reasons other than layoff, disability separation, or
14 other good cause as determined by an agency director, within one year of the
15 date of the employment, the state is entitled to reimbursement of the lump
16 sum compensation from the person;

17 (20) Providing for veteran's preference as required by existing
18 statutes, with recognition of preference in regard to layoffs and subsequent
19 reemployment for veterans and their surviving spouses by giving such
20 eligible veterans and their surviving spouses additional credit in computing
21 their seniority by adding to their unbroken state service, as defined by the
22 board, the veteran's service in the military not to exceed five years. For
23 the purposes of this section, "veteran" means any person who has one or more
24 years of active military service in any branch of the armed forces of the
25 United States or who has less than one year's service and is discharged with
26 a disability incurred in the line of duty or is discharged at the
27 convenience of the government and who, upon termination of such service has
28 received an honorable discharge, a discharge for physical reasons with an
29 honorable record, or a release from active military service with evidence
30 of service other than that for which an undesirable, bad conduct, or
31 dishonorable discharge shall be given: PROVIDED, HOWEVER, That the
32 surviving spouse of a veteran is entitled to the benefits of this section
33 regardless of the veteran's length of active military service: PROVIDED
34 FURTHER, That for the purposes of this section "veteran" does not include
35 any person who has voluntarily retired with twenty or more years of active
36 military service and whose military retirement pay is in excess of five
37 hundred dollars per month;

38 (21) Permitting agency heads to delegate the authority to appoint,
39 reduce, dismiss, suspend, or demote employees within their agencies if such

1 agency heads do not have specific statutory authority to so delegate:
2 PROVIDED, That the board may not authorize such delegation to any position
3 lower than the head of a major subdivision of the agency;

4 (22) Assuring persons who are or have been employed in classified
5 positions before July 1, 1993, will be eligible for employment,
6 reemployment, transfer, and promotion in respect to classified positions
7 covered by this chapter;

8 (23) Affirmative action in appointment, promotion, transfer,
9 recruitment, training, and career development; development and
10 implementation of affirmative action goals and timetables; and monitoring
11 of progress against those goals and timetables.

12 The board shall consult with the human rights commission in the
13 development of rules pertaining to affirmative action. The department of
14 personnel shall transmit a report annually to the human rights commission
15 which states the progress each state agency has made in meeting affirmative
16 action goals and timetables.

17 Notwithstanding this section and rules of the board adopted under this
18 section, agencies may place employees on temporary unpaid leave during the
19 2001-2003 fiscal biennium for the purpose of implementing appropriations
20 reductions enacted in the 2002 supplemental appropriations act. Mandatory
21 unpaid leave must be approved by the agency director, and must be, to the
22 greatest extent possible, mutually agreeable to the employee and employer.
23 Employees taking mandatory temporary unpaid leave will not lose seniority,
24 leave accrual, or health insurance benefits.

25 **Sec. 906.** RCW 43.10.220 and 1999 c 309 s 916 are each amended to read
26 as follows:

27 The attorney general is authorized to expend from the antitrust
28 revolving fund, created by RCW 43.10.210 through 43.10.220, such funds as
29 are necessary for the payment of costs, expenses and charges incurred in the
30 preparation, institution and maintenance of antitrust actions under the
31 state and federal antitrust acts. During the ((1999-01)) 2001-03 fiscal
32 biennium, the attorney general may expend ((up to one million three hundred
33 thousand dollars)) from the antitrust revolving fund for the purposes of
34 ((implementing a case management data processing system for the centralized
35 management of cases and workload, including antitrust and other complex
36 litigation)) the consumer protection activities of the office.

1 **Sec. 907.** RCW 43.30.360 and 1986 c 100 s 46 are each amended to read
2 as follows:

3 The department and Washington State University may each receive funds
4 from the federal government in connection with cooperative work with the
5 United States department of agriculture, authorized by sections 4 and 5 of
6 the Clarke-McNary act of congress, approved June 7, 1924, providing for the
7 procurement, protection, and distribution of forestry seed and plants for
8 the purpose of establishing windbreaks, shelter belts, and farm wood lots
9 and to assist the owners of farms in establishing, improving, and renewing
10 wood lots, shelter belts, and windbreaks; and are authorized to disburse
11 such funds as needed. During the 2001-2003 fiscal biennium, the legislature
12 may transfer from the Clarke-McNary fund to the state general fund such
13 amounts as reflect the excess fund balance of the Clarke-McNary fund.

14 **Sec. 908.** RCW 43.33A.160 and 1991 sp.s. c 13 s 32 are each amended to
15 read as follows:

16 (1) The state investment board shall be funded from the earnings of the
17 funds managed by the state investment board, proportional to the value of
18 the assets of each fund, subject to legislative appropriation.

19 (2) There is established in the state treasury a state investment board
20 expense account from which shall be paid the operating expenses of the state
21 investment board. Prior to November 1 of each even-numbered year, the state
22 investment board shall determine and certify to the state treasurer and the
23 office of financial management the value of the various funds managed by the
24 investment board in order to determine the proportional liability of the
25 funds for the operating expenses of the state investment board. Pursuant
26 to appropriation, the state treasurer is authorized to transfer such moneys
27 from the various funds managed by the investment board to the state
28 investment board expense account as are necessary to pay the operating
29 expenses of the investment board. During the 2001-2003 fiscal biennium, the
30 legislature may transfer from the state investment board expense account to
31 the state general fund such amounts as reflect the appropriations reductions
32 made by the 2002 supplemental appropriations act for administrative
33 efficiencies and savings.

34 **Sec. 909.** RCW 43.72.900 and 2002 c 2 s 2 (Initiative Measure No. 773)
35 are each amended to read as follows:

36 (1) The health services account is created in the state treasury.
37 Moneys in the account may be spent only after appropriation. Subject to the

1 transfers described in subsection (3) of this section, moneys in the account
2 may be expended only for maintaining and expanding health services access
3 for low-income residents, maintaining and expanding the public health
4 system, maintaining and improving the capacity of the health care system,
5 containing health care costs, and the regulation, planning, and
6 administering of the health care system.

7 (2) Funds deposited into the health services account under RCW
8 82.24.028 and 82.26.028 shall be used solely as follows:

9 (a) Five million dollars for the state fiscal year beginning July 1,
10 2002, and five million dollars for the state fiscal year beginning July 1,
11 2003, shall be appropriated by the legislature for programs that effectively
12 improve the health of low-income persons, including efforts to reduce
13 diseases and illnesses that harm low-income persons. The department of
14 health shall submit a report to the legislature on March 1, 2002, evaluating
15 the cost-effectiveness of programs that improve the health of low-income
16 persons and address diseases and illnesses that disproportionately affect
17 low-income persons, and making recommendations to the legislature on which
18 of these programs could most effectively utilize the funds appropriated
19 under this subsection.

20 (b) Ten percent of the funds deposited into the health services account
21 under RCW 82.24.028 and 82.26.028 remaining after the appropriation under
22 (a) of this subsection shall be transferred no less frequently than annually
23 by the treasurer to the tobacco prevention and control account established
24 by RCW 43.79.480. The funds transferred shall be used exclusively for
25 implementation of the Washington state tobacco prevention and control plan
26 and shall be used only to supplement, and not supplant, funds in the tobacco
27 prevention and control account as of January 1, 2001, however, these funds
28 may be used to replace funds appropriated by the legislature for further
29 implementation of the Washington state tobacco prevention and control plan
30 for the biennium beginning July 1, 2001. For each state fiscal year
31 beginning on and after July 1, 2002, the legislature shall appropriate no
32 less than twenty-six million two hundred forty thousand dollars from the
33 tobacco prevention and control account for implementation of the Washington
34 state tobacco prevention and control plan.

35 (c) Because of its demonstrated effectiveness in improving the health
36 of low-income persons and addressing illnesses and diseases that harm low-
37 income persons, the remainder of the funds deposited into the health
38 services account under RCW 82.24.028 and 82.26.028 shall be appropriated
39 solely for Washington basic health plan enrollment as provided in chapter

1 70.47 RCW. Funds appropriated pursuant to this subsection (2)(c) must
2 supplement, and not supplant, the level of state funding needed to support
3 enrollment of a minimum of one hundred twenty-five thousand persons for the
4 fiscal year beginning July 1, 2002, and every fiscal year thereafter. The
5 health care authority may enroll up to twenty thousand additional persons
6 in the basic health plan during the biennium beginning July 1, 2001, above
7 the base level of one hundred twenty-five thousand enrollees. The health
8 care authority may enroll up to fifty thousand additional persons in the
9 basic health plan during the biennium beginning July 1, 2003, above the base
10 level of one hundred twenty-five thousand enrollees. For each biennium
11 beginning on and after July 1, 2005, the health care authority may enroll
12 up to at least one hundred seventy-five thousand enrollees. Funds
13 appropriated under this subsection may be used to support outreach and
14 enrollment activities only to the extent necessary to achieve the enrollment
15 goals described in this section.

16 (3) Prior to expenditure for the purposes described in subsection (2)
17 of this section, funds deposited into the health services account under RCW
18 82.24.028 and 82.26.028 shall first be transferred to the following accounts
19 to ensure the continued availability of previously dedicated revenues for
20 certain existing programs:

21 (a) To the violence reduction and drug enforcement account under RCW
22 69.50.520, two million two hundred forty-nine thousand five hundred dollars
23 for the state fiscal year beginning July 1, 2001, four million two hundred
24 forty-eight thousand dollars for the state fiscal year beginning July 1,
25 2002, seven million seven hundred eighty-nine thousand dollars for the
26 biennium beginning July 1, 2003, six million nine hundred thirty-two
27 thousand dollars for the biennium beginning July 1, 2005, and six million
28 nine hundred thirty-two thousand dollars for each biennium thereafter, as
29 required by RCW 82.24.020(2);

30 (b) To the health services account under this section, nine million
31 seventy-seven thousand dollars for the state fiscal year beginning July 1,
32 2001, seventeen million one hundred eighty-eight thousand dollars for the
33 state fiscal year beginning July 1, 2002, thirty-one million seven hundred
34 fifty-five thousand dollars for the biennium beginning July 1, 2003, twenty-
35 eight million six hundred twenty-two thousand dollars for the biennium
36 beginning July 1, 2005, and twenty-eight million six hundred twenty-two
37 thousand dollars for each biennium thereafter, as required by RCW
38 82.24.020(3); and

1 (c) To the water quality account under RCW 70.146.030, two million two
2 hundred three thousand five hundred dollars for the state fiscal year
3 beginning July 1, 2001, four million two hundred forty-four thousand dollars
4 for the state fiscal year beginning July 1, 2002, eight million one hundred
5 eighty-two thousand dollars for the biennium beginning July 1, 2003, seven
6 million eight hundred eighty-five thousand dollars for the biennium
7 beginning July 1, 2005, and seven million eight hundred eighty-five thousand
8 dollars for each biennium thereafter, as required by RCW 82.24.027(2)(a)
9 During the 2001-2003 fiscal biennium, the legislature may transfer from
10 the health services account such amounts as reflect the excess fund balance
11 of the account.

12 **Sec. 910.** RCW 43.83B.430 and 1999 c 379 s 921 are each amended to read
13 as follows:

14 The state drought preparedness account is created in the state
15 treasury. All receipts from appropriated funds designated for the account
16 and funds transferred from the state emergency water projects revolving
17 account must be deposited into the account. Moneys in the account may be
18 spent only after appropriation. Expenditures from the account may be used
19 only for drought preparedness. During the 2001-2003 fiscal biennium, the
20 legislature may transfer from the state drought preparedness account to the
21 state general fund such amounts as reflect the excess fund balance of the
22 account.

23 **Sec. 911.** RCW 43.88.030 and 2000 2nd sp.s. c 4 s 12 are each amended
24 to read as follows:

25 (1) The director of financial management shall provide all agencies
26 with a complete set of instructions for submitting biennial budget requests
27 to the director at least three months before agency budget documents are due
28 into the office of financial management. The director shall provide
29 agencies and committees that are required under RCW 44.40.070 to develop
30 comprehensive six-year program and financial plans with a complete set of
31 instructions for submitting these program and financial plans at the same
32 time that instructions for submitting other budget requests are provided.
33 The budget document or documents shall consist of the governor's budget
34 message which shall be explanatory of the budget and shall contain an
35 outline of the proposed financial policies of the state for the ensuing
36 fiscal period, as well as an outline of the proposed six-year financial
37 policies where applicable, and shall describe in connection therewith the

1 important features of the budget. The message shall set forth the reasons
2 for salient changes from the previous fiscal period in expenditure and
3 revenue items and shall explain any major changes in financial policy.
4 Attached to the budget message shall be such supporting schedules, exhibits
5 and other explanatory material in respect to both current operations and
6 capital improvements as the governor shall deem to be useful to the
7 legislature. The budget document or documents shall set forth a proposal
8 for expenditures in the ensuing fiscal period, or six-year period where
9 applicable, based upon the estimated revenues and caseloads as approved by
10 the economic and revenue forecast council and caseload forecast council or
11 upon the estimated revenues and caseloads of the office of financial
12 management for those funds, accounts, sources, and programs for which the
13 forecast councils do not prepare an official forecast, including those
14 revenues anticipated to support the six-year programs and financial plans
15 under RCW 44.40.070. In estimating revenues to support financial plans
16 under RCW 44.40.070, the office of financial management shall rely on
17 information and advice from the transportation revenue forecast council.
18 Revenues shall be estimated for such fiscal period from the source and at
19 the rates existing by law at the time of submission of the budget document,
20 including the supplemental budgets submitted in the even-numbered years of
21 a biennium. However, the estimated revenues and caseloads for use in the
22 governor's budget document may be adjusted to reflect budgetary revenue
23 transfers and revenue and caseload estimates dependent upon budgetary
24 assumptions of enrollments, workloads, and caseloads. All adjustments to
25 the approved estimated revenues and caseloads must be set forth in the
26 budget document. The governor may additionally submit, as an appendix to
27 each supplemental, biennial, or six-year agency budget or to the budget
28 document or documents, a proposal for expenditures in the ensuing fiscal
29 period from revenue sources derived from proposed changes in existing
30 statutes.

31 Supplemental and biennial documents shall reflect a six-year
32 expenditure plan consistent with estimated revenues from existing sources
33 and at existing rates for those agencies required to submit six-year program
34 and financial plans under RCW 44.40.070. Any additional revenue resulting
35 from proposed changes to existing statutes shall be separately identified
36 within the document as well as related expenditures for the six-year period.

37 The budget document or documents shall also contain:

38 (a) Revenues classified by fund and source for the immediately past
39 fiscal period, those received or anticipated for the current fiscal period,

1 those anticipated for the ensuing biennium, and those anticipated for the
2 ensuing six-year period to support the six-year programs and financial plans
3 required under RCW 44.40.070;

4 (b) The undesignated fund balance or deficit, by fund;

5 (c) Such additional information dealing with expenditures, revenues,
6 workload, performance, and personnel as the legislature may direct by law
7 or concurrent resolution;

8 (d) Such additional information dealing with revenues and expenditures
9 as the governor shall deem pertinent and useful to the legislature;

10 (e) Tabulations showing expenditures classified by fund, function,
11 (~~activity,~~) and agency;

12 (f) A delineation of each agency's activities, including those
13 activities funded from nonbudgeted, nonappropriated sources, including funds
14 maintained outside the state treasury;

15 (g) Identification of all proposed direct expenditures to implement the
16 Puget Sound water quality plan under chapter 90.71 RCW, shown by agency and
17 in total; and

18 (h) Tabulations showing each postretirement adjustment by retirement
19 system established after fiscal year 1991, to include, but not be limited
20 to, estimated total payments made to the end of the previous biennial
21 period, estimated payments for the present biennium, and estimated payments
22 for the ensuing biennium.

23 (2) The budget document or documents shall include detailed estimates
24 of all anticipated revenues applicable to proposed operating or capital
25 expenditures and shall also include all proposed operating or capital
26 expenditures. The total of beginning undesignated fund balance and
27 estimated revenues less working capital and other reserves shall equal or
28 exceed the total of proposed applicable expenditures. The budget document
29 or documents shall further include:

30 (a) Interest, amortization and redemption charges on the state debt

31 (b) Payments of all reliefs, judgments, and claims;

32 (c) Other statutory expenditures;

33 (d) Expenditures incident to the operation for each agency;

34 (e) Revenues derived from agency operations;

35 (f) Expenditures and revenues shall be given in comparative form
36 showing those incurred or received for the immediately past fiscal period
37 and those anticipated for the current biennium and next ensuing biennium,
38 as well as those required to support the six-year programs and financial
39 plans required under RCW 44.40.070;

1 (g) A showing and explanation of amounts of general fund and other
2 funds obligations for debt service and any transfers of moneys that
3 otherwise would have been available for appropriation;

4 (h) Common school expenditures on a fiscal-year basis;

5 (i) A showing, by agency, of the value and purpose of financing
6 contracts for the lease/purchase or acquisition of personal or real property
7 for the current and ensuing fiscal periods; and

8 (j) A showing and explanation of anticipated amounts of general fund
9 and other funds required to amortize the unfunded actuarial accrued
10 liability of the retirement system specified under chapter 41.45 RCW, and
11 the contributions to meet such amortization, stated in total dollars and as
12 a level percentage of total compensation.

13 (3) A separate capital budget document or schedule shall be submitted
14 that will contain the following:

15 (a) A statement setting forth a long-range facilities plan for the
16 state that identifies and includes the highest priority needs within
17 affordable spending levels;

18 (b) A capital program consisting of proposed capital projects for the
19 next biennium and the two biennia succeeding the next biennium consistent
20 with the long-range facilities plan. Inasmuch as is practical, and
21 recognizing emergent needs, the capital program shall reflect the
22 priorities, projects, and spending levels proposed in previously submitted
23 capital budget documents in order to provide a reliable long-range planning
24 tool for the legislature and state agencies;

25 (c) A capital plan consisting of proposed capital spending for at least
26 four biennia succeeding the next biennium;

27 (d) A strategic plan for reducing backlogs of maintenance and repair
28 projects. The plan shall include a prioritized list of specific facility
29 deficiencies and capital projects to address the deficiencies for each
30 agency, cost estimates for each project, a schedule for completing projects
31 over a reasonable period of time, and identification of normal maintenance
32 activities to reduce future backlogs;

33 (e) A statement of the reason or purpose for a project;

34 (f) Verification that a project is consistent with the provisions set
35 forth in chapter 36.70A RCW;

36 (g) A statement about the proposed site, size, and estimated life of
37 the project, if applicable;

38 (h) Estimated total project cost;

1 (i) For major projects valued over five million dollars, estimated
2 costs for the following project components: Acquisition, consultant
3 services, construction, equipment, project management, and other costs
4 included as part of the project. Project component costs shall be displayed
5 in a standard format defined by the office of financial management to allow
6 comparisons between projects;

7 (j) Estimated total project cost for each phase of the project as
8 defined by the office of financial management;

9 (k) Estimated ensuing biennium costs;

10 (l) Estimated costs beyond the ensuing biennium;

11 (m) Estimated construction start and completion dates;

12 (n) Source and type of funds proposed;

13 (o) Estimated ongoing operating budget costs or savings resulting from
14 the project, including staffing and maintenance costs;

15 (p) For any capital appropriation requested for a state agency for the
16 acquisition of land or the capital improvement of land in which the primary
17 purpose of the acquisition or improvement is recreation or wildlife habitat
18 conservation, the capital budget document, or an omnibus list of recreation
19 and habitat acquisitions provided with the governor's budget document, shall
20 identify the projected costs of operation and maintenance for at least the
21 two biennia succeeding the next biennium. Omnibus lists of habitat and
22 recreation land acquisitions shall include individual project cost estimates
23 for operation and maintenance as well as a total for all state projects
24 included in the list. The document shall identify the source of funds from
25 which the operation and maintenance costs are proposed to be funded;

26 (q) Such other information bearing upon capital projects as the
27 governor deems to be useful;

28 (r) Standard terms, including a standard and uniform definition of
29 normal maintenance, for all capital projects;

30 (s) Such other information as the legislature may direct by law or
31 concurrent resolution.

32 For purposes of this subsection (3), the term "capital project" shall
33 be defined subsequent to the analysis, findings, and recommendations of a
34 joint committee comprised of representatives from the house capital
35 appropriations committee, senate ways and means committee, legislative
36 transportation committee, legislative evaluation and accountability program
37 committee, and office of financial management.

38 (4) No change affecting the comparability of agency or program
39 information relating to expenditures, revenues, workload, performance and

1 personnel shall be made in the format of any budget document or report
2 presented to the legislature under this section or RCW 43.88.160(1) relative
3 to the format of the budget document or report which was presented to the
4 previous regular session of the legislature during an odd-numbered year
5 without prior legislative concurrence. Prior legislative concurrence shall
6 consist of (a) a favorable majority vote on the proposal by the standing
7 committees on ways and means of both houses if the legislature is in session
8 or (b) a favorable majority vote on the proposal by members of the
9 legislative evaluation and accountability program committee if the
10 legislature is not in session.

11 **Sec. 912.** RCW 43.320.110 and 2001 2nd sp.s. c 7 s 911 are each amended
12 to read as follows:

13 There is created a local fund known as the "financial services
14 regulation fund" which shall consist of all moneys received by the divisions
15 of the department of financial institutions, except for the division of
16 securities which shall deposit thirteen percent of all moneys received, and
17 which shall be used for the purchase of supplies and necessary equipment;
18 the payment of salaries, wages, and utilities; the establishment of
19 reserves; and other incidental costs required for the proper regulation of
20 individuals and entities subject to regulation by the department. The state
21 treasurer shall be the custodian of the fund. Disbursements from the fund
22 shall be on authorization of the director of financial institutions or the
23 director's designee. In order to maintain an effective expenditure and
24 revenue control, the fund shall be subject in all respects to chapter 43.88
25 RCW, but no appropriation is required to permit expenditures and payment of
26 obligations from the fund.

27 Between July 1, 2001, and December 31, 2001, the legislature may
28 transfer up to two million dollars from the financial services regulation
29 fund to the (~~state general fund~~) digital government revolving account.
30 During the 2001-2003 fiscal biennium, the legislature may transfer from the
31 financial services regulation fund to the state general fund such amounts
32 as reflect the excess fund balance of the fund and appropriations reductions
33 made by the 2002 supplemental appropriations act for administrative
34 efficiencies and savings.

35 **Sec. 913.** RCW 46.09.110 and 1986 c 206 s 6 are each amended to read as
36 follows:

1 The moneys collected by the department under this chapter shall be
2 distributed from time to time but at least once a year in the following
3 manner:

4 The department shall retain enough money to cover expenses incurred in
5 the administration of this chapter: PROVIDED, That such retention shall
6 never exceed eighteen percent of fees collected.

7 The remaining moneys shall be distributed by the interagency committee
8 for outdoor recreation in accordance with RCW 46.09.170(1)(d). During the
9 2001-2003 fiscal biennium, the legislature may transfer from the ORV account
10 to the state general fund such amounts as reflect the appropriations
11 reductions made by the 2002 supplemental appropriations act for
12 administrative efficiencies and savings.

13 **Sec. 914.** RCW 46.10.075 and 1991 sp.s. c 13 s 9 are each amended to
14 read as follows:

15 There is created a snowmobile account within the state treasury.
16 Snowmobile registration fees, monetary civil penalties from snowmobile
17 dealers, and snowmobile fuel tax moneys collected under this chapter and in
18 excess of the amounts fixed for the administration of the registration and
19 fuel tax provisions of this chapter shall be deposited in the snowmobile
20 account and shall be appropriated only to the state parks and recreation
21 commission for the administration and coordination of this chapter. During
22 the 2001-2003 fiscal biennium, the legislature may transfer from the
23 snowmobile account to the state general fund such amounts as reflect the
24 appropriations reductions made by the 2002 supplemental appropriations act
25 for administrative efficiencies and savings.

26 **Sec. 915.** RCW 48.02.190 and 1987 c 505 s 54 are each amended to read
27 as follows:

- 28 (1) As used in this section:
- 29 (a) "Organization" means every insurer, as defined in RCW 48.01.050,
30 having a certificate of authority to do business in this state and every
31 health care service contractor registered to do business in this state.
32 "Class one" organizations shall consist of all insurers as defined in RCW
33 48.01.050. "Class two" organizations shall consist of all organizations
34 registered under provisions of chapter 48.44 RCW.
- 35 (b) "Receipts" means (i) net direct premiums consisting of direct gross
36 premiums, as defined in RCW 48.18.170, paid for insurance written or renewed
37 upon risks or property resident, situated, or to be performed in this state,

1 less return premiums and premiums on policies not taken, dividends paid or
2 credited to policyholders on direct business, and premiums received from
3 policies or contracts issued in connection with qualified plans as defined
4 in RCW 48.14.021, and (ii) prepayments to health care service contractors
5 as set forth in RCW 48.44.010(3) less experience rating credits, dividends,
6 prepayments returned to subscribers, and payments for contracts not taken.

7 (2) The annual cost of operating the office of insurance commissioner
8 shall be determined by legislative appropriation. A pro rata share of the
9 cost shall be charged to all organizations. Each class of organization
10 shall contribute sufficient in fees to the insurance commissioner's
11 regulatory account to pay the reasonable costs, including overhead, of
12 regulating that class of organization.

13 (3) Fees charged shall be calculated separately for each class of
14 organization. The fee charged each organization shall be that portion of
15 the cost of operating the insurance commissioner's office, for that class
16 of organization, for the ensuing fiscal year that is represented by the
17 organization's portion of the receipts collected or received by all
18 organizations within that class on business in this state during the
19 previous calendar year: PROVIDED, That the fee shall not exceed one-eighth
20 of one percent of receipts: PROVIDED FURTHER, That the minimum fee shall
21 be one thousand dollars.

22 (4) The commissioner shall annually, on or before June 1, calculate and
23 bill each organization for the amount of its fee. Fees shall be due and
24 payable no later than June 15 of each year: PROVIDED, That if the necessary
25 financial records are not available or if the amount of the legislative
26 appropriation is not determined in time to carry out such calculations and
27 bill such fees within the time specified, the commissioner may use the fee
28 factors for the prior year as the basis for the fees and, if necessary, the
29 commissioner may impose supplemental fees to fully and properly charge the
30 organizations. The penalties for failure to pay fees when due shall be the
31 same as the penalties for failure to pay taxes pursuant to RCW 48.14.060.
32 The fees required by this section are in addition to all other taxes and
33 fees now imposed or that may be subsequently imposed.

34 (5) All moneys collected shall be deposited in the insurance
35 commissioner's regulatory account in the state treasury which is hereby
36 created.

37 (6) Unexpended funds in the insurance commissioner's regulatory account
38 at the close of a fiscal year shall be carried forward in the insurance
39 commissioner's regulatory account to the succeeding fiscal year and shall

1 be used to reduce future fees. During the 2001-2003 fiscal biennium, the
2 legislature may transfer from the insurance commissioner's regulatory
3 account to the state general fund such amounts as reflect excess fund
4 balance in the account.

5 **Sec. 916.** RCW 49.70.170 and 2001 2nd sp.s. c 7 s 913 are each amended
6 to read as follows:

7 (1) The worker and community right to know fund is hereby established
8 in the custody of the state treasurer. The department shall deposit all
9 moneys received under this chapter in the fund. Moneys in the fund may be
10 spent only for the purposes of this chapter following legislative
11 appropriation. Disbursements from the fund shall be on authorization of the
12 director or the director's designee. During the 2001-2003 fiscal biennium,
13 moneys in the fund may also be used by the military department for the
14 purpose of assisting the state emergency response commission and
15 coordinating local emergency planning activities. During the 2001-2003
16 fiscal biennium, the legislature may transfer from the worker and community
17 right to know fund to the state general fund such amounts as reflect the
18 appropriations reductions made by the 2002 supplemental appropriations act
19 for administrative efficiencies and savings. The fund is subject to the
20 allotment procedure provided under chapter 43.88 RCW.

21 (2) The department shall assess each employer who reported ten thousand
22 four hundred or more worker hours in the prior calendar year an annual fee
23 to provide for the implementation of this chapter. The department shall
24 promulgate rules establishing a fee schedule for all employers who reported
25 ten thousand four hundred or more worker hours in the prior calendar year
26 and are engaged in business operations having a standard industrial
27 classification, as designated in the standard industrial classification
28 manual prepared by the federal office of management and budget, within major
29 group numbers 01 through 08 (agriculture and forestry industries), numbers
30 10 through 14 (mining industries), numbers 15 through 17 (construction
31 industries), numbers 20 through 39 (manufacturing industries), numbers 41,
32 42, and 44 through 49 (transportation, communications, electric, gas, and
33 sanitary services), number 75 (automotive repair, services, and garages),
34 number 76 (miscellaneous repair services), number 80 (health services), and
35 number 82 (educational services). The department shall establish the annual
36 fee for each employer who reported ten thousand four hundred or more worker
37 hours in the prior calendar year in industries identified by this section,
38 provided that fees assessed shall not be more than two dollars and fifty

1 cents per full time equivalent employee. The annual fee shall not exceed
2 fifty thousand dollars. The fees shall be collected solely from employers
3 whose industries have been identified by rule under this chapter. The
4 department shall promulgate rules allowing employers who do not have
5 hazardous substances at their workplace to request an exemption from the
6 assessment and shall establish penalties for fraudulent exemption requests.
7 All fees collected by the department pursuant to this section shall be
8 collected in a cost-efficient manner and shall be deposited in the fund

9 (3) Records required by this chapter shall at all times be open to the
10 inspection of the director, or his designee including, the traveling
11 auditors, agents or assistants of the department provided for in RCW
12 51.16.070 and 51.48.040. The information obtained from employer records
13 under the provisions of this section shall be subject to the same
14 confidentiality requirements as set forth in RCW 51.16.070.

15 (4) An employer may appeal the assessment of the fee or penalties
16 pursuant to the procedures set forth in Title 51 RCW and accompanying rules
17 except that the employer shall not have the right of appeal to superior
18 court as provided in Title 51 RCW. The employer from whom the fee or
19 penalty is demanded or enforced, may however, within thirty days of the
20 board of industrial insurance appeal's final order, pay the fee or penalty
21 under written protest setting forth all the grounds upon which such fee or
22 penalty is claimed to be unlawful, excessive or otherwise improper and
23 thereafter bring an action in superior court against the department to
24 recover such fee or penalty or any portion of the fee or penalty which was
25 paid under protest.

26 (5) Repayment shall be made to the general fund of any moneys
27 appropriated by law in order to implement this chapter.

28 **Sec. 917.** RCW 50.16.010 and 1993 c 483 s 7 and 1993 c 226 s 10 are
29 each reenacted and amended to read as follows:

30 There shall be maintained as special funds, separate and apart from all
31 public moneys or funds of this state an unemployment compensation fund, an
32 administrative contingency fund, and a federal interest payment fund, which
33 shall be administered by the commissioner exclusively for the purposes of
34 this title, and to which RCW 43.01.050 shall not be applicable.

35 The unemployment compensation fund shall consist of

36 (1) all contributions and payments in lieu of contributions collected
37 pursuant to the provisions of this title,

1 (2) any property or securities acquired through the use of moneys
2 belonging to the fund,

3 (3) all earnings of such property or securities,

4 (4) any moneys received from the federal unemployment account in the
5 unemployment trust fund in accordance with Title XII of the social security
6 act, as amended,

7 (5) all money recovered on official bonds for losses sustained by the
8 fund,

9 (6) all money credited to this state's account in the unemployment
10 trust fund pursuant to section 903 of the social security act, as amended,

11 (7) all money received from the federal government as reimbursement
12 pursuant to section 204 of the federal-state extended compensation act of
13 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304), and

14 (8) all moneys received for the fund from any other source.

15 All moneys in the unemployment compensation fund shall be commingled
16 and undivided.

17 The administrative contingency fund shall consist of all interest on
18 delinquent contributions collected pursuant to this title, all fines and
19 penalties collected pursuant to the provisions of this title, all sums
20 recovered on official bonds for losses sustained by the fund, and revenue
21 received under RCW 50.24.014: PROVIDED, That all fees, fines, forfeitures
22 and penalties collected or assessed by a district court because of the
23 violation of a state law shall be remitted as provided in chapter 3.62 RCW
24 as now exists or is later amended.

25 Moneys available in the administrative contingency fund, other than
26 money in the special account created under RCW 50.24.014, shall be expended
27 upon the direction of the commissioner, with the approval of the governor,
28 whenever it appears to him or her that such expenditure is necessary for

29 (a) The proper administration of this title and no federal funds are
30 available for the specific purpose to which such expenditure is to be made,
31 provided, the moneys are not substituted for appropriations from federal
32 funds which, in the absence of such moneys, would be made available.

33 (b) The proper administration of this title for which purpose
34 appropriations from federal funds have been requested but not yet received,
35 provided, the administrative contingency fund will be reimbursed upon
36 receipt of the requested federal appropriation.

37 (c) The proper administration of this title for which compliance and
38 audit issues have been identified that establish federal claims requiring
39 the expenditure of state resources in resolution. Claims must be resolved

1 in the following priority: First priority is to provide services to
2 eligible participants within the state; second priority is to provide
3 substitute services or program support; and last priority is the direct
4 payment of funds to the federal government.

5 (d) During the 2001-2003 fiscal biennium, the cost of worker retraining
6 programs at community and technical colleges as appropriated by the
7 legislature.

8 Money in the special account created under RCW 50.24.014 may only be
9 expended, after appropriation, for the purposes specified in RCW 50.62.010,
10 50.62.020, 50.62.030, 50.04.070, 50.04.072, 50.16.010, 50.29.025, 50.24.014,
11 50.44.053, and 50.22.010.

12 **Sec. 918.** RCW 50.20.190 and 2001 c 146 s 7 are each amended to read as
13 follows:

14 (1) An individual who is paid any amount as benefits under this title
15 to which he or she is not entitled shall, unless otherwise relieved pursuant
16 to this section, be liable for repayment of the amount overpaid. The
17 department shall issue an overpayment assessment setting forth the reasons
18 for and the amount of the overpayment. The amount assessed, to the extent
19 not collected, may be deducted from any future benefits payable to the
20 individual: PROVIDED, That in the absence of a back pay award, a settlement
21 affecting the allowance of benefits, fraud, misrepresentation, or willful
22 nondisclosure, every determination of liability shall be mailed or
23 personally served not later than two years after the close of or final
24 payment made on the individual's applicable benefit year for which the
25 purported overpayment was made, whichever is later, unless the merits of the
26 claim are subjected to administrative or judicial review in which event the
27 period for serving the determination of liability shall be extended to allow
28 service of the determination of liability during the six-month period
29 following the final decision affecting the claim.

30 (2) The commissioner may waive an overpayment if the commissioner finds
31 that the overpayment was not the result of fraud, misrepresentation, willful
32 nondisclosure, or fault attributable to the individual and that the recovery
33 thereof would be against equity and good conscience: PROVIDED, HOWEVER,
34 That the overpayment so waived shall be charged against the individual's
35 applicable entitlement for the eligibility period containing the weeks to
36 which the overpayment was attributed as though such benefits had been
37 properly paid.

1 (3) Any assessment herein provided shall constitute a determination of
2 liability from which an appeal may be had in the same manner and to the same
3 extent as provided for appeals relating to determinations in respect to
4 claims for benefits: PROVIDED, That an appeal from any determination
5 covering overpayment only shall be deemed to be an appeal from the
6 determination which was the basis for establishing the overpayment unless
7 the merits involved in the issue set forth in such determination have
8 already been heard and passed upon by the appeal tribunal. If no such
9 appeal is taken to the appeal tribunal by the individual within thirty days
10 of the delivery of the notice of determination of liability, or within
11 thirty days of the mailing of the notice of determination, whichever is the
12 earlier, the determination of liability shall be deemed conclusive and
13 final. Whenever any such notice of determination of liability becomes
14 conclusive and final, the commissioner, upon giving at least twenty days
15 notice by certified mail return receipt requested to the individual's last
16 known address of the intended action, may file with the superior court clerk
17 of any county within the state a warrant in the amount of the notice of
18 determination of liability plus a filing fee under RCW 36.18.012(10). The
19 clerk of the county where the warrant is filed shall immediately designate
20 a superior court cause number for the warrant, and the clerk shall cause to
21 be entered in the judgment docket under the superior court cause number
22 assigned to the warrant, the name of the person(s) mentioned in the warrant,
23 the amount of the notice of determination of liability, and the date when
24 the warrant was filed. The amount of the warrant as docketed shall become
25 a lien upon the title to, and any interest in, all real and personal
26 property of the person(s) against whom the warrant is issued, the same as
27 a judgment in a civil case duly docketed in the office of such clerk. A
28 warrant so docketed shall be sufficient to support the issuance of writs of
29 execution and writs of garnishment in favor of the state in the manner
30 provided by law for a civil judgment. A copy of the warrant shall be mailed
31 to the person(s) mentioned in the warrant by certified mail to the person's
32 last known address within five days of its filing with the clerk.

33 (4) On request of any agency which administers an employment security
34 law of another state, the United States, or a foreign government and which
35 has found in accordance with the provisions of such law that a claimant is
36 liable to repay benefits received under such law, the commissioner may
37 collect the amount of such benefits from the claimant to be refunded to the
38 agency. In any case in which under this section a claimant is liable to
39 repay any amount to the agency of another state, the United States, or a

1 foreign government, such amounts may be collected without interest by civil
2 action in the name of the commissioner acting as agent for such agency if
3 the other state, the United States, or the foreign government extends such
4 collection rights to the employment security department of the state of
5 Washington, and provided that the court costs be paid by the governmental
6 agency benefiting from such collection.

7 (5) Any employer who is a party to a back pay award or settlement due
8 to loss of wages shall, within thirty days of the award or settlement,
9 report to the department the amount of the award or settlement, the name and
10 social security number of the recipient of the award or settlement, and the
11 period for which it is awarded. When an individual has been awarded or
12 receives back pay, for benefit purposes the amount of the back pay shall
13 constitute wages paid in the period for which it was awarded. For
14 contribution purposes, the back pay award or settlement shall constitute
15 wages paid in the period in which it was actually paid. The following
16 requirements shall also apply:

17 (a) The employer shall reduce the amount of the back pay award or
18 settlement by an amount determined by the department based upon the amount
19 of unemployment benefits received by the recipient of the award or
20 settlement during the period for which the back pay award or settlement was
21 awarded;

22 (b) The employer shall pay to the unemployment compensation fund, in a
23 manner specified by the commissioner, an amount equal to the amount of such
24 reduction;

25 (c) The employer shall also pay to the department any taxes due for
26 unemployment insurance purposes on the entire amount of the back pay award
27 or settlement notwithstanding any reduction made pursuant to (a) of this
28 subsection;

29 (d) If the employer fails to reduce the amount of the back pay award or
30 settlement as required in (a) of this subsection, the department shall issue
31 an overpayment assessment against the recipient of the award or settlement
32 in the amount that the back pay award or settlement should have been
33 reduced; and

34 (e) If the employer fails to pay to the department an amount equal to
35 the reduction as required in (b) of this subsection, the department shall
36 issue an assessment of liability against the employer which shall be
37 collected pursuant to the procedures for collection of assessments provided
38 herein and in RCW 50.24.110.

1 (6) When an individual fails to repay an overpayment assessment that is
2 due and fails to arrange for satisfactory repayment terms, the commissioner
3 shall impose an interest penalty of one percent per month of the outstanding
4 balance. Interest shall accrue immediately on overpayments assessed
5 pursuant to RCW 50.20.070 and shall be imposed when the assessment becomes
6 final. For any other overpayment, interest shall accrue when the individual
7 has missed two or more of their monthly payments either partially or in
8 full. The interest penalty shall be used to fund detection and recovery of
9 overpayment and collection activities and, during the 2001-2003 fiscal
10 biennium, the cost of worker retraining programs at community and technical
11 colleges as appropriated by the legislature.

12 **Sec. 919.** RCW 51.44.170 and 1997 c 327 s 1 are each amended to read as
13 follows:

14 The industrial insurance premium refund account is created in the
15 custody of the state treasurer. All industrial insurance refunds earned by
16 state agencies or institutions of higher education under the state fund
17 retrospective rating program shall be deposited into the account. The
18 account is subject to the allotment procedures under chapter 43.88 RCW, but
19 no appropriation is required for expenditures from the account. Only the
20 executive head of the agency or institution of higher education, or
21 designee, may authorize expenditures from the account. No agency or
22 institution of higher education may make an expenditure from the account for
23 an amount greater than the refund earned by the agency. If the agency or
24 institution of higher education has staff dedicated to workers' compensation
25 claims management, expenditures from the account must be used to pay for
26 that staff, but additional expenditure from the account may be used for any
27 program within an agency or institution of higher education that promotes
28 or provides incentives for employee workplace safety and health and early,
29 appropriate return-to-work for injured employees. During the 2001-2003
30 fiscal biennium, the legislature may transfer from the industrial insurance
31 premium refund account to the state general fund such amounts as reflect the
32 reductions made by the 2002 supplemental appropriations act for
33 administrative efficiencies and savings.

34 **Sec. 920.** RCW 66.08.235 and 1997 c 75 s 1 are each amended to read as
35 follows:

36 The liquor control board construction and maintenance account is
37 created within the state treasury. The liquor control board shall deposit

1 into this account a portion of the board's markup, as authorized by chapter
2 66.16 RCW, placed upon liquor as determined by the board. Moneys in the
3 account may be spent only after appropriation. The liquor control board
4 shall use deposits to this account to fund construction and maintenance of
5 a centralized distribution center for liquor products intended for sale
6 through the board's liquor store and vendor system. During the 2001-2003
7 fiscal biennium, the legislature may transfer from the liquor control board
8 construction and maintenance account to the state general fund such amounts
9 as reflect the appropriations reductions made by the 2002 supplemental
10 appropriations act for administrative efficiencies and savings.

11 **Sec. 921.** RCW 67.16.100 and 1998 c 345 s 5 are each amended to read as
12 follows:

13 (1) All sums paid to the commission under this chapter, including those
14 sums collected for license fees and excluding those sums collected under RCW
15 67.16.102 and 67.16.105(3), shall be disposed of by the commission as
16 follows: One hundred percent thereof shall be retained by the commission
17 in the horse racing commission fund for the payment of the salaries of its
18 members, secretary, clerical, office, and other help and all expenses
19 incurred in carrying out the provisions of this chapter. No salary, wages,
20 expenses, or compensation of any kind shall be paid by the state in
21 connection with the work of the commission.

22 (2) Any moneys collected or paid to the commission under the terms of
23 this chapter and not expended at the close of the fiscal biennium shall be
24 paid to the state treasurer and be placed in the fair fund created in RCW
25 15.76.115. The commission may, with the approval of the office of financial
26 management, retain any sum required for working capital. During the 2001-
27 2003 fiscal biennium, the legislature may transfer from the horse racing
28 commission fund to the state general fund such amounts as reflect the
29 reductions made by the 2002 supplemental appropriations act for
30 administrative efficiencies and savings.

31 **Sec. 922.** RCW 67.40.025 and 1988 ex.s. c 1 s 2 are each amended to
32 read as follows:

33 All operating revenues received by the corporation formed under RCW
34 67.40.020 shall be deposited in the state convention and trade center
35 operations account, hereby created in the state treasury. Moneys in the
36 account, including unanticipated revenues under RCW 43.79.270, may be spent
37 only after appropriation by statute, and may be used only for operation and

1 promotion of the center. During the 2001-2003 fiscal biennium, the
2 legislature may transfer from the state convention and trade center
3 operations account to the state general fund such amounts as reflect the
4 appropriations reductions made by the 2002 supplemental appropriations act
5 for administrative efficiencies and savings.

6 Subject to approval by the office of financial management under RCW
7 43.88.260, the corporation may expend moneys for operational purposes in
8 excess of the balance in the account, to the extent the corporation receives
9 or will receive additional operating revenues.

10 As used in this section, "operating revenues" does not include any
11 moneys required to be deposited in the state convention and trade center
12 account.

13 **Sec. 923.** RCW 67.70.260 and 1985 c 375 s 6 are each amended to read as
14 follows:

15 There is hereby created the lottery administrative account in the state
16 treasury. The account shall be managed, controlled, and maintained by the
17 director. The legislature may appropriate from the account for the payment
18 of costs incurred in the operation and administration of the lottery.
19 During the 2001-2003 fiscal biennium, the legislature may transfer from the
20 lottery administrative account to the state general fund such amounts as
21 reflect the appropriations reductions made by the 2002 supplemental
22 appropriations act for administrative efficiencies and savings.

23 **Sec. 924.** RCW 69.50.520 and 2001 2nd sp.s. c 7 s 920 and 2001 c 168 s
24 3 are each reenacted and amended to read as follows:

25 The violence reduction and drug enforcement account is created in the
26 state treasury. All designated receipts from RCW 9.41.110(8), 66.24.210(4),
27 66.24.290(2), 69.50.505(i)(1), 82.08.150(5), 82.24.020(2), 82.64.020, and
28 section 420, chapter 271, Laws of 1989 shall be deposited into the account.
29 Expenditures from the account may be used only for funding services and
30 programs under chapter 271, Laws of 1989 and chapter 7, Laws of 1994 sp.
31 sess., including state incarceration costs. Funds from the account may also
32 be appropriated to reimburse local governments for costs associated with
33 implementing criminal justice legislation including chapter 338, Laws of
34 1997. During the 2001-2003 biennium, funds from the account may also be
35 used for costs associated with providing grants to local governments in
36 accordance with chapter 338, Laws of 1997, the replacement of the department
37 of corrections' offender-based tracking system, maintenance and operating

1 costs of the Washington association of sheriffs and police chiefs jail
2 reporting system, civil indigent legal representation, and for
3 multijurisdictional narcotics task forces. After July 1, 2003, at least
4 seven and one-half percent of expenditures from the account shall be used
5 for providing grants to community networks under chapter 70.190 RCW by the
6 family policy council.

7 **Sec. 925.** RCW 70.93.180 and 1998 c 257 s 5 are each amended to read as
8 follows:

9 (1) There is hereby created an account within the state treasury to be
10 known as the "waste reduction, recycling, and litter control account".
11 Moneys in the account may be spent only after appropriation. Expenditures
12 from the waste reduction, recycling, and litter control account shall be
13 used as follows:

14 (a) Fifty percent to the department of ecology, for use by the
15 departments of ecology, natural resources, revenue, transportation, and
16 corrections, and the parks and recreation commission, for use in litter
17 collection programs, to be distributed under RCW 70.93.220. The amount to
18 the department of ecology shall also be used for a central coordination
19 function for litter control efforts statewide, for the biennial litter
20 survey under RCW 70.93.200(8), and for statewide public awareness programs
21 under RCW 70.93.200(7). The amount to the department shall also be used to
22 defray the costs of administering the funding, coordination, and oversight
23 of local government programs for waste reduction, litter control, and
24 recycling, so that local governments can apply one hundred percent of their
25 funding to achieving program goals. The amount to the department of revenue
26 shall be used to enforce compliance with the litter tax imposed in chapter
27 82.19 RCW;

28 (b) Twenty percent to the department for local government funding
29 programs for waste reduction, litter control, and recycling activities by
30 cities and counties under RCW 70.93.250, to be administered by the
31 department of ecology; and

32 (c) Thirty percent to the department of ecology for waste reduction and
33 recycling efforts.

34 (2) All taxes imposed in RCW 82.19.010 and fines and bail forfeitures
35 collected or received pursuant to this chapter shall be deposited in the
36 waste reduction, recycling, and litter control account and used for the
37 programs under subsection (1) of this section.

1 (3) Not less than five percent and no more than ten percent of the
2 amount appropriated into the waste reduction, recycling, and litter control
3 account every biennium shall be reserved for capital needs, including the
4 purchase of vehicles for transporting crews and for collecting litter and
5 solid waste. Capital funds shall be distributed among state agencies and
6 local governments according to the same criteria provided in RCW 70.93.220
7 for the remainder of the funds, so that the most effective waste reduction,
8 litter control, and recycling programs receive the most funding. The intent
9 of this subsection is to provide funds for the purchase of equipment that
10 will enable the department to account for the greatest return on investment
11 in terms of reaching a zero litter goal.

12 (4) During the 2001-2003 fiscal biennium, the legislature may transfer
13 from the waste reduction, recycling, and litter control account to the state
14 general fund such amounts as reflect the appropriations reductions made by
15 the 2002 supplemental appropriations act for administrative efficiencies and
16 savings.

17 **Sec. 926.** RCW 70.94.015 and 1998 c 321 s 33 are each amended to read
18 as follows:

19 (1) The air pollution control account is established in the state
20 treasury. All receipts collected by or on behalf of the department from RCW
21 70.94.151(2), and receipts from nonpermit program sources under RCW
22 70.94.152(1) and 70.94.154(7), and all receipts from RCW 70.94.650(~~(7)~~) and
23 70.94.660(~~(7, 82.44.020(2), and 82.50.405)~~) shall be deposited into the
24 account. Moneys in the account may be spent only after appropriation.
25 Expenditures from the account may be used only to develop and implement the
26 provisions of chapters 70.94 and 70.120 RCW.

27 (2) The amounts collected and allocated in accordance with this section
28 shall be expended upon appropriation except as otherwise provided in this
29 section and in accordance with the following limitations:

30 Portions of moneys received by the department of ecology from the air
31 pollution control account shall be distributed by the department to local
32 authorities based on:

33 (a) The level and extent of air quality problems within such
34 authority's jurisdiction;

35 (b) The costs associated with implementing air pollution regulatory
36 programs by such authority; and

1 (c) The amount of funding available to such authority from other
2 sources, whether state, federal, or local, that could be used to implement
3 such programs.

4 (3) The air operating permit account is created in the custody of the
5 state treasurer. All receipts collected by or on behalf of the department
6 from permit program sources under RCW 70.94.152(1), 70.94.161, 70.94.162,
7 and 70.94.154(7) shall be deposited into the account. Expenditures from the
8 account may be used only for the activities described in RCW 70.94.152(1),
9 70.94.161, 70.94.162, and 70.94.154(7). Moneys in the account may be spent
10 only after appropriation. During the 2001-2003 fiscal biennium, the
11 legislature may transfer from the air operating permit account to the state
12 general fund such amounts as reflect the appropriations reductions made by
13 the 2002 supplemental appropriations act for administrative efficiencies and
14 savings.

15 **Sec. 927.** RCW 70.95E.080 and 1991 sp.s. c 13 s 75 are each amended to
16 read as follows:

17 The hazardous waste assistance account is hereby created in the state
18 treasury. The following moneys shall be deposited into the hazardous waste
19 assistance account:

20 (1) Those revenues which are raised by the fees imposed under RCW
21 70.95E.020 and 70.95E.030;

22 (2) Penalties and surcharges collected under chapter 70.95C RCW and
23 this chapter; and

24 (3) Any other moneys appropriated or transferred to the account by the
25 legislature. Moneys in the hazardous waste assistance account may be spent
26 only for the purposes of this chapter following legislative appropriation.
27 During the 2001-2003 fiscal biennium, the legislature may transfer from the
28 hazardous waste assistance account to the state general fund such amounts
29 as reflect the appropriations reductions made by the 2002 supplemental
30 appropriations act for administrative efficiencies and savings.

31 **Sec. 928.** RCW 70.105D.070 and 2001 c 27 s 2 are each amended to read
32 as follows:

33 (1) The state toxics control account and the local toxics control
34 account are hereby created in the state treasury.

35 (2) The following moneys shall be deposited into the state toxics
36 control account: (a) Those revenues which are raised by the tax imposed
37 under RCW 82.21.030 and which are attributable to that portion of the rate

1 equal to thirty-three one-hundredths of one percent; (b) the costs of
2 remedial actions recovered under this chapter or chapter 70.105A RCW; (c)
3 penalties collected or recovered under this chapter; and (d) any other money
4 appropriated or transferred to the account by the legislature. Moneys in
5 the account may be used only to carry out the purposes of this chapter,
6 including but not limited to the following activities:

7 (i) The state's responsibility for hazardous waste planning,
8 management, regulation, enforcement, technical assistance, and public
9 education required under chapter 70.105 RCW;

10 (ii) The state's responsibility for solid waste planning, management,
11 regulation, enforcement, technical assistance, and public education required
12 under chapter 70.95 RCW;

13 (iii) The hazardous waste cleanup program required under this chapter;

14 (iv) State matching funds required under the federal cleanup law;

15 (v) Financial assistance for local programs in accordance with chapters
16 70.95, 70.95C, 70.95I, and 70.105 RCW;

17 (vi) State government programs for the safe reduction, recycling, or
18 disposal of hazardous wastes from households, small businesses, and
19 agriculture;

20 (vii) Hazardous materials emergency response training;

21 (viii) Water and environmental health protection and monitoring
22 programs;

23 (ix) Programs authorized under chapter 70.146 RCW;

24 (x) A public participation program, including regional citizen advisory
25 committees;

26 (xi) Public funding to assist potentially liable persons to pay for the
27 costs of remedial action in compliance with cleanup standards under RCW
28 70.105D.030(2)(e) but only when the amount and terms of such funding are
29 established under a settlement agreement under RCW 70.105D.040(4) and when
30 the director has found that the funding will achieve both (A) a
31 substantially more expeditious or enhanced cleanup than would otherwise
32 occur, and (B) the prevention or mitigation of unfair economic hardship; and

33 (xii) Development and demonstration of alternative management
34 technologies designed to carry out the top two hazardous waste management
35 priorities of RCW 70.105.150.

36 (3) The following moneys shall be deposited into the local toxics
37 control account: Those revenues which are raised by the tax imposed under
38 RCW 82.21.030 and which are attributable to that portion of the rate equal
39 to thirty-seven one-hundredths of one percent.

1 (a) Moneys deposited in the local toxics control account shall be used
2 by the department for grants or loans to local governments for the following
3 purposes in descending order of priority: (i) Remedial actions; (ii)
4 hazardous waste plans and programs under chapter 70.105 RCW; (iii) solid
5 waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105
6 RCW; (iv) funds for a program to assist in the assessment and cleanup of
7 sites of methamphetamine production, but not to be used for the initial
8 containment of such sites, consistent with the responsibilities and intent
9 of RCW 69.50.511; and (v) cleanup and disposal of hazardous substances from
10 abandoned or derelict vessels that pose a threat to human health or the
11 environment. For purposes of this subsection (3)(a)(v), "abandoned or
12 derelict vessels" means vessels that have little or no value and either have
13 no identified owner or have an identified owner lacking financial resources
14 to clean up and dispose of the vessel. Funds for plans and programs shall
15 be allocated consistent with the priorities and matching requirements
16 established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During the
17 1999-2001 fiscal biennium, moneys in the account may also be used for the
18 following activities: Conducting a study of whether dioxins occur in
19 fertilizers, soil amendments, and soils; reviewing applications for
20 registration of fertilizers; and conducting a study of plant uptake of
21 metals.

22 (b) Funds may also be appropriated to the department of health to
23 implement programs to reduce testing requirements under the federal safe
24 drinking water act for public water systems. The department of health shall
25 reimburse the account from fees assessed under RCW 70.119A.115 by June 30,
26 1995.

27 (4) Except for unanticipated receipts under RCW 43.79.260 through
28 43.79.282, moneys in the state and local toxics control accounts may be
29 spent only after appropriation by statute.

30 (5) One percent of the moneys deposited into the state and local toxics
31 control accounts shall be allocated only for public participation grants to
32 persons who may be adversely affected by a release or threatened release of
33 a hazardous substance and to not-for-profit public interest organizations.
34 The primary purpose of these grants is to facilitate the participation by
35 persons and organizations in the investigation and remedying of releases or
36 threatened releases of hazardous substances and to implement the state's
37 solid and hazardous waste management priorities. However, during the 1999-
38 2001 fiscal biennium, funding may not be granted to entities engaged in
39 lobbying activities, and applicants may not be awarded grants if their

1 cumulative grant awards under this section exceed two hundred thousand
2 dollars. No grant may exceed sixty thousand dollars. Grants may be renewed
3 annually. Moneys appropriated for public participation from either account
4 which are not expended at the close of any biennium shall revert to the
5 state toxics control account.

6 (6) No moneys deposited into either the state or local toxics control
7 account may be used for solid waste incinerator feasibility studies,
8 construction, maintenance, or operation.

9 (7) The department shall adopt rules for grant or loan issuance and
10 performance.

11 (8) During the 2001-2003 fiscal biennium, the legislature may transfer
12 from the state toxics control account and the local toxics control account
13 to the state general fund such amounts as reflect the excess fund balance
14 of the accounts and appropriations reductions made by the 2002 supplemental
15 appropriations act for administrative efficiencies and savings.

16 **Sec. 929.** RCW 70.146.030 and 2001 2nd sp.s. c 7 s 922 are each amended
17 to read as follows:

18 (1) The water quality account is hereby created in the state treasury.
19 Moneys in the account may be used only in a manner consistent with this
20 chapter. Moneys deposited in the account shall be administered by the
21 department of ecology and shall be subject to legislative appropriation.
22 Moneys placed in the account shall include tax receipts as provided in RCW
23 82.24.027, 82.26.025, and 82.32.390, principal and interest from the
24 repayment of any loans granted pursuant to this chapter, and any other
25 moneys appropriated to the account by the legislature.

26 (2) The department may use or permit the use of any moneys in the
27 account to make grants or loans to public bodies, including grants to public
28 bodies as cost-sharing moneys in any case where federal, local, or other
29 funds are made available on a cost-sharing basis, for water pollution
30 control facilities and activities, or for purposes of assisting a public
31 body to obtain an ownership interest in water pollution control facilities
32 and/or to defray a part of the payments made by a public body to a service
33 provider under a service agreement entered into pursuant to RCW 70.150.060,
34 within the purposes of this chapter and for related administrative expenses.
35 For the period July 1, 2001, to June 30, 2003, moneys in the account may be
36 used to process applications received by the department that seek to make
37 changes to or transfer existing water rights and for grants to public bodies
38 for watershed planning under chapter 90.82 RCW. No more than three percent

1 of the moneys deposited in the account may be used by the department to pay
2 for the administration of the grant and loan program authorized by this
3 chapter.

4 (3) Beginning with the biennium ending June 30, 1997, the department
5 shall present a biennial progress report on the use of moneys from the
6 account to the chairs of the senate committee on ways and means and the
7 house of representatives committee on appropriations. The first report is
8 due June 30, 1996, and the report for each succeeding biennium is due
9 December 31 of the odd-numbered year. The report shall consist of a list
10 of each recipient, project description, and amount of the grant, loan, or
11 both.

12 (4) (~~During the fiscal biennium ending June 30, 1997, moneys in the~~
13 ~~account may be transferred by the legislature to the water right permit~~
14 ~~processing account.)) During the 2001-2003 fiscal biennium, the legislature
15 may transfer from the water quality account to the state general fund such
16 amounts as reflect the excess fund balance of the fund and appropriations
17 reductions made by the 2002 supplemental appropriations act for
18 administrative efficiencies and savings.~~

19 **Sec. 930.** RCW 70.168.040 and 1997 c 331 s 2 are each amended to read
20 as follows:

21 The emergency medical services and trauma care system trust account is
22 hereby created in the state treasury. Moneys shall be transferred to the
23 emergency medical services and trauma care system trust account from the
24 public safety education account or other sources as appropriated, and as
25 collected under RCW 46.63.110(6) and 46.12.042. Disbursements shall be made
26 by the department subject to legislative appropriation. Expenditures may
27 be made only for the purposes of the state trauma care system under this
28 chapter, including emergency medical services, trauma care services,
29 rehabilitative services, and the planning and development of related
30 services under this chapter and for reimbursement by the department of
31 social and health services for trauma care services provided by designated
32 trauma centers. During the 2001-2003 fiscal biennium, the legislature may
33 transfer from the emergency medical services and trauma care system trust
34 account to the state general fund such amounts as reflect the excess fund
35 balance of the account.

36 **Sec. 931.** RCW 77.12.170 and 2001 c 253 s 15 are each amended to read
37 as follows:

- 1 (1) There is established in the state treasury the state wildlife fund
2 which consists of moneys received from:
- 3 (a) Rentals or concessions of the department;
 - 4 (b) The sale of real or personal property held for department purposes;
 - 5 (c) The sale of licenses, permits, tags, and stamps required by chapter
6 77.32 RCW and RCW 77.65.490, except annual resident adult saltwater and all
7 shellfish licenses, which shall be deposited into the state general fur
 - 8 (d) Fees for informational materials published by the department;
 - 9 (e) Fees for personalized vehicle license plates as provided in chapter
10 46.16 RCW;
 - 11 (f) Articles or wildlife sold by the director under this title;
 - 12 (g) Compensation for damage to department property or wildlife losses
13 or contributions, gifts, or grants received under RCW 77.12.320 or
14 77.32.380;
 - 15 (h) Excise tax on anadromous game fish collected under chapter 82.27
16 RCW;
 - 17 (i) The sale of personal property seized by the department for fish,
18 shellfish, or wildlife violations; and
 - 19 (j) The department's share of revenues from auctions and raffles
20 authorized by the commission.

21 (2) State and county officers receiving any moneys listed in subsection
22 (1) of this section shall deposit them in the state treasury to be credited
23 to the state wildlife fund.

24 During the 2001-2003 fiscal biennium, the legislature may transfer from
25 the state wildlife fund to the state general fund such amounts as reflect
26 the excess fund balance of the fund and appropriations reductions made by
27 the 2002 supplemental appropriations act for administrative efficiencies and
28 savings.

29 **Sec. 932.** RCW 77.44.050 and 1999 c 235 s 1 are each amended to read as
30 follows:

31 The warm water game fish account is hereby created in the state
32 wildlife fund. Moneys in the account are subject to legislative
33 appropriation and shall be used for the purpose of funding the warm water
34 game fish enhancement program, including the development of warm water pond
35 and lake habitat, culture of warm water game fish, improvement of warm water
36 fish habitat, management of warm water fish populations, and other practical
37 activities that will improve the fishing for warm water fish. Funds for
38 warm water game fish as provided in RCW 77.32.440 shall not serve as

1 replacement funding for department-operated warm water fish projects
2 existing on December 31, 1994, except that an amount not to exceed ninety-
3 one thousand dollars may be used for warm water fish culture at the Rod
4 Meseberg warm water fish production facility during the biennium ending June
5 30, 2001. During the 2001-2003 fiscal biennium, the legislature may
6 transfer from the warm water game fish account to the state general fund
7 such amounts as reflect the excess fund balance of the account and
8 appropriations reductions made by the 2002 supplemental appropriations act
9 for administrative efficiencies and savings.

10 **Sec. 933.** RCW 79.24.580 and 2001 c 227 s 7 are each amended to read as
11 follows:

12 After deduction for management costs as provided in RCW 79.64.040 and
13 payments to towns under RCW 79.92.110(2), all moneys received by the state
14 from the sale or lease of state-owned aquatic lands and from the sale of
15 valuable material from state-owned aquatic lands shall be deposited in the
16 aquatic lands enhancement account which is hereby created in the state
17 treasury. After appropriation, these funds shall be used solely for aquatic
18 lands enhancement projects; for the purchase, improvement, or protection of
19 aquatic lands for public purposes; for providing and improving access to
20 such lands; and for volunteer cooperative fish and game projects.

21 In providing grants for aquatic lands enhancement projects, the
22 department shall require grant recipients to incorporate the environmental
23 benefits of the project into their grant applications, and the department
24 shall utilize the statement of environmental benefits in its prioritization
25 and selection process. The department shall also develop appropriate
26 outcome-focused performance measures to be used both for management and
27 performance assessment of the grants. To the extent possible, the
28 department should coordinate its performance measure system with other
29 natural resource-related agencies as defined in RCW 43.41.270. The
30 department shall consult with affected interest groups in implementing this
31 section.

32 During the fiscal biennium ending June 30, (~~(2001)~~) 2003, the funds may
33 be appropriated for boating safety(~~(7)~~) and shellfish management,
34 enforcement, and enhancement (~~(and for developing and implementing plans for~~
35 ~~population monitoring and restoration of native wild salmon stock)~~). During
36 the 2001-2003 fiscal biennium, the legislature may transfer from the aquatic
37 lands enhancement account to the state general fund such amounts as reflect
38 the excess fund balance of the account and appropriations reductions made

1 by the 2002 supplemental appropriations act for administrative efficiencies
2 and savings.

3 **Sec. 934.** RCW 79A.05.215 and 1995 c 211 s 7 are each amended to read
4 as follows:

5 The state parks renewal and stewardship account is created in the state
6 treasury. Except as otherwise provided in this chapter, all receipts from
7 user fees, concessions, leases, and other state park-based activities shall
8 be deposited into the account. Expenditures from the account may be used
9 for operating state parks, developing and renovating park facilities,
10 undertaking deferred maintenance, enhancing park stewardship, and other
11 state park purposes. Expenditures from the account may be made only after
12 appropriation by the legislature. During the 2001-2003 fiscal biennium, the
13 legislature may transfer from the state parks renewal and stewardship
14 account to the state general fund such amounts as reflect the appropriations
15 reductions made by the 2002 supplemental appropriations act for
16 administrative efficiencies and savings.

17 **Sec. 935.** RCW 80.01.080 and 2001 c 238 s 8 are each amended to read as
18 follows:

19 ~~((The transportation revolving fund and the public utilities revolving~~
20 ~~fund are abolished as of April 1, 1949, and as of such date)) There is~~
21 ~~created in the state treasury a ((⁺))public service revolving fund((⁺to~~
22 ~~which shall be transferred all moneys which then remain on hand to the~~
23 ~~credit of the transportation revolving fund and the public utilities~~
24 ~~revolving fund, subject, however, to outstanding warrants and other~~
25 ~~obligations chargeable to appropriations made from such funds. From and~~
26 ~~after April 1, 1949,)).~~ Regulatory fees payable by all types of public
27 service companies shall be deposited to the credit of the public service
28 revolving fund. Except for expenses payable out of the pipeline safety
29 account, all expense of operation of the Washington utilities and
30 transportation commission shall be payable out of the public service
31 revolving fund.

32 During the 2001-2003 fiscal biennium, the legislature may transfer from
33 the public service revolving fund to the state general fund such amounts as
34 reflect the appropriations reductions made by the 2002 supplemental
35 appropriations act for administrative efficiencies and savings.

1 **Sec. 936.** RCW 82.29A.080 and 1985 c 57 s 84 are each amended to read
2 as follows:

3 The counties and cities shall contract, prior to the effective date of
4 an ordinance imposing a leasehold excise tax, with the department of revenue
5 for administration and collection. The department of revenue shall deduct
6 a percentage amount, as provided by such contract, not to exceed two percent
7 of the taxes collected, for administration and collection expenses incurred
8 by the department. The remainder of any portion of any tax authorized by
9 RCW 82.29A.040 which is collected by the department of revenue shall be
10 deposited by the state department of revenue in the local leasehold excise
11 tax account hereby created in the state treasury. Moneys in the local
12 leasehold excise tax account may be spent only for distribution to counties
13 and cities imposing a leasehold excise tax.

14 During the 2001-2003 fiscal biennium, the legislature may transfer from
15 the local leasehold excise tax account to the state general fund such
16 amounts as reflect the interest earnings of the account.

17 **Sec. 937.** RCW 90.48.465 and 1998 c 262 s 16 are each amended to read
18 as follows:

19 (1) The department shall establish annual fees to collect expenses for
20 issuing and administering each class of permits under RCW 90.48.160,
21 90.48.162, and 90.48.260. An initial fee schedule shall be established by
22 rule within one year of March 1, 1989, and thereafter the fee schedule shall
23 be adjusted no more often than once every two years. This fee schedule
24 shall apply to all permits, regardless of date of issuance, and fees shall
25 be assessed prospectively. All fees charged shall be based on factors
26 relating to the complexity of permit issuance and compliance and may be
27 based on pollutant loading and toxicity and be designed to encourage
28 recycling and the reduction of the quantity of pollutants. Fees shall be
29 established in amounts to fully recover and not to exceed expenses incurred
30 by the department in processing permit applications and modifications,
31 monitoring and evaluating compliance with permits, conducting inspections,
32 securing laboratory analysis of samples taken during inspections, reviewing
33 plans and documents directly related to operations of permittees, overseeing
34 performance of delegated pretreatment programs, and supporting the overhead
35 expenses that are directly related to these activities.

36 (2) The annual fee paid by a municipality, as defined in 33 U.S.C. Sec.
37 1362, for all domestic wastewater facility permits issued under RCW
38 90.48.162 and 90.48.260 shall not exceed the total of a maximum of fifteen

1 cents per month per residence or residential equivalent contributing to the
2 municipality's wastewater system. The department shall adopt by rule a
3 schedule of credits for any municipality engaging in a comprehensive
4 monitoring program beyond the requirements imposed by the department, with
5 the credits available for five years from March 1, 1989, and with the total
6 amount of all credits not to exceed fifty thousand dollars in the five-year
7 period.

8 (3) The department shall ensure that indirect dischargers do not pay
9 twice for the administrative expense of a permit. Accordingly,
10 administrative expenses for permits issued by a municipality under RCW
11 90.48.165 are not recoverable by the department.

12 (4) In establishing fees, the department shall consider the economic
13 impact of fees on small dischargers and the economic impact of fees on
14 public entities required to obtain permits for storm water runoff and shall
15 provide appropriate adjustments.

16 (5) The fee for an individual permit issued for a dairy farm as defined
17 under chapter 90.64 RCW shall be fifty cents per animal unit up to one
18 thousand one hundred sixty-seven dollars for fiscal year 1998 and one
19 thousand two hundred fourteen dollars for fiscal year 1999. The fee for a
20 general permit issued for a dairy farm as defined under chapter 90.64 RCW
21 shall be fifty cents per animal unit up to eight hundred seventeen dollars
22 for fiscal year 1998 and eight hundred fifty dollars for fiscal year 1999.
23 Thereafter, these fees may rise in accordance with the fiscal growth factor
24 as provided in chapter 43.135 RCW.

25 (6) All fees collected under this section shall be deposited in the
26 water quality permit account hereby created in the state treasury. Moneys
27 in the account may be appropriated only for purposes of administering
28 permits under RCW 90.48.160, 90.48.162, and 90.48.260. During the 2001-2003
29 fiscal biennium, the legislature may transfer from the water quality permit
30 account to the state general fund such amounts as reflect the appropriations
31 reductions made by the 2002 supplemental appropriations act for
32 administrative efficiencies and savings.

33 (7) Beginning with the biennium ending June 30, 1997, the department
34 shall present a biennial progress report on the use of moneys from the
35 account to the legislature. The report will be due December 31st of odd-
36 numbered years. The report shall consist of information on fees collected,
37 actual expenses incurred, and anticipated expenses for the current and
38 following fiscal years.

1 **Sec. 938.** RCW 90.56.510 and 2000 c 69 s 22 are each amended to read as
2 follows:

3 (1) The oil spill prevention account is created in the state treasury.
4 All receipts from RCW 82.23B.020(2) shall be deposited in the account.
5 Moneys from the account may be spent only after appropriation. The account
6 is subject to allotment procedures under chapter 43.88 RCW. If, on the
7 first day of any calendar month, the balance of the oil spill response
8 account is greater than nine million dollars and the balance of the oil
9 spill prevention account exceeds the unexpended appropriation for the
10 current biennium, then the tax under RCW 82.23B.020(2) shall be suspended
11 on the first day of the next calendar month until the beginning of the
12 following biennium, provided that the tax shall not be suspended during the
13 last six months of the biennium. If the tax imposed under RCW 82.23B.020(2)
14 is suspended during two consecutive biennia, the department shall by
15 November 1st after the end of the second biennium, recommend to the
16 appropriate standing committees an adjustment in the tax rate. (~~For the~~
17 ~~biennium ending June 30, 1999, and the biennium ending June 30, 2001, the~~
18 ~~state treasurer may transfer a total of up to one million dollars from the~~
19 ~~oil spill response account to the oil spill prevention account to support~~
20 ~~appropriations made from the oil spill prevention account in the omnibus~~
21 ~~appropriations act adopted not later than June 30, 1999.~~) During the 2001-
22 2003 fiscal biennium, the legislature may transfer from the oil spill
23 prevention account to the state general fund such amounts as reflect the
24 appropriations reductions made by the 2002 supplemental appropriations act
25 for administrative efficiencies and savings.

26 (2) Expenditures from the oil spill prevention account shall be used
27 exclusively for the administrative costs related to the purposes of this
28 chapter, and chapters 90.48, 88.40, and 88.46 RCW. Starting with the 1995-
29 1997 biennium, the legislature shall give activities of state agencies
30 related to prevention of oil spills priority in funding from the oil spill
31 prevention account. Costs of prevention include the costs of:

- 32 (a) Routine responses not covered under RCW 90.56.500;
33 (b) Management and staff development activities;
34 (c) Development of rules and policies and the statewide plan provided
35 for in RCW 90.56.060;
36 (d) Facility and vessel plan review and approval, drills, inspections,
37 investigations, enforcement, and litigation;
38 (e) Interagency coordination and public outreach and education;

1 (f) Collection and administration of the tax provided for in chapter
2 82.23B RCW; and

3 (g) Appropriate travel, goods and services, contracts, and equipmen

4 NEW SECTION. **Sec. 939.** If any provision of this act or its
5 application to any person or circumstance is held invalid, the remainder of
6 the act or the application of the provision to other persons or
7 circumstances is not affected.

8 NEW SECTION. **Sec. 940.** This act is necessary for the immediate
9 preservation of the public peace, health, or safety, or support of the state
10 government and its existing public institutions, and takes effect
11 immediately.

12 (End of part)

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