
ENGROSSED SUBSTITUTE SENATE BILL 6090

State of Washington

59th Legislature

2005 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Prentice and Zarelli; by request of Governor Gregoire)

READ FIRST TIME 03/30/05.

1 AN ACT Relating to fiscal matters; amending RCW 28A.160.195,
2 28A.305.210, 28A.500.030, 41.05.050, 41.05.120, 41.50.110, 41.50.110,
3 43.07.130, 43.08.190, 43.08.250, 43.10.180, 43.43.944, 43.70.320,
4 43.72.900, 50.20.190, 66.16.010, 67.40.040, 69.50.520, 70.93.180,
5 70.105D.070, 70.146.030, 70.146.080, 70.148.020, 72.11.040, 74.09.5225,
6 74.46.431, 79.64.040, 79.90.245, and 86.26.007; reenacting and amending
7 RCW 43.320.110 and 50.16.010; creating new sections; making
8 appropriations; providing an effective date; providing expiration
9 dates; and declaring an emergency.

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

11 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
12 to the provisions set forth in the following sections, the several
13 amounts specified in parts I through VIII of this act, or so much
14 thereof as shall be sufficient to accomplish the purposes designated,
15 are hereby appropriated and authorized to be incurred for salaries,
16 wages, and other expenses of the agencies and offices of the state and
17 for other specified purposes for the fiscal biennium beginning July 1,
18 2005, and ending June 30, 2007, except as otherwise provided, out of
19 the several funds of the state hereinafter named.

(2) Unless the context clearly requires otherwise, the definitions in this section apply throughout this act.

(a) "Fiscal year 2006" or "FY 2006" means the fiscal year ending June 30, 2006.

(b) "Fiscal year 2007" or "FY 2007" means the fiscal year ending June 30, 2007.

(c) "FTE" means full time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose.

Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is unnecessary to fulfill the specified purpose shall lapse.

PART I

GENERAL GOVERNMENT

NEW SECTION. Sec. 101. FOR THE HOUSE OF REPRESENTATIVES

General Fund--State Appropriation (FY 2006)	\$29,150,000
General Fund--State Appropriation (FY 2007)	\$29,372,000
TOTAL APPROPRIATION	\$58,522,000

NEW SECTION. Sec. 102. FOR THE SENATE

General Fund--State Appropriation (FY 2006)	\$22,473,000
General Fund--State Appropriation (FY 2007)	\$24,301,000
TOTAL APPROPRIATION	\$46,774,000

NEW SECTION. Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

General Fund--State Appropriation (FY 2006)	\$1,874,000
General Fund--State Appropriation (FY 2007)	\$1,870,000
TOTAL APPROPRIATION	\$3,744,000

The appropriations in this section are subject to the following condition and limitation: \$100,000 of the general fund--state appropriation for fiscal year 2007 is provided solely for consultant costs related to the study of regional jail facilities required by

1 Senate Bill No. 5763 (mental disorders treatment). If Senate Bill No.
2 5763 is not enacted by June 30, 2005, the amount provided in this
3 subsection shall lapse.

4 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
5 **ACCOUNTABILITY PROGRAM COMMITTEE**

6	General Fund--State Appropriation (FY 2006)	\$1,677,000
7	General Fund--State Appropriation (FY 2007)	\$1,829,000
8	TOTAL APPROPRIATION	\$3,506,000

9 NEW SECTION. **Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY**

10 Department of Retirement Systems Expense Account--

11	State Appropriation	\$2,902,000
----	-------------------------------	-------------

12 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**
13 **COMMITTEE**

14	General Fund--State Appropriation (FY 2006)	\$7,089,000
15	General Fund--State Appropriation (FY 2007)	\$7,107,000
16	TOTAL APPROPRIATION	\$14,196,000

17 NEW SECTION. **Sec. 107. FOR THE STATUTE LAW COMMITTEE**

18	General Fund--State Appropriation (FY 2006)	\$3,975,000
19	General Fund--State Appropriation (FY 2007)	\$4,209,000
20	TOTAL APPROPRIATION	\$8,184,000

21 NEW SECTION. **Sec. 108. LEGISLATIVE AGENCIES.** In order to achieve
22 operating efficiencies within the financial resources available to the
23 legislative branch, the executive rules committee of the house of
24 representatives and the facilities and operations committee of the
25 senate by joint action may transfer funds among the house of
26 representatives, senate, joint legislative audit and review committee,
27 legislative evaluation and accountability program committee,
28 legislative transportation committee, office of the state actuary,
29 joint legislative systems committee, and statute law committee.

30 NEW SECTION. **Sec. 109. FOR THE SUPREME COURT**

31	General Fund--State Appropriation (FY 2006)	\$5,836,000
32	General Fund--State Appropriation (FY 2007)	\$5,991,000

1	TOTAL APPROPRIATION	\$11,827,000
2	<u>NEW SECTION. Sec. 110. FOR THE LAW LIBRARY</u>	
3	General Fund--State Appropriation (FY 2006)	\$1,972,000
4	General Fund--State Appropriation (FY 2007)	\$1,971,000
5	TOTAL APPROPRIATION	\$3,943,000
6	<u>NEW SECTION. Sec. 111. FOR THE COURT OF APPEALS</u>	
7	General Fund--State Appropriation (FY 2006)	\$13,332,000
8	General Fund--State Appropriation (FY 2007)	\$13,590,000
9	TOTAL APPROPRIATION	\$26,922,000
10	<u>NEW SECTION. Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT</u>	
11	General Fund--State Appropriation (FY 2006)	\$1,025,000
12	General Fund--State Appropriation (FY 2007)	\$1,063,000
13	TOTAL APPROPRIATION	\$2,088,000
14	<u>NEW SECTION. Sec. 113. FOR THE ADMINISTRATOR FOR THE COURTS</u>	
15	General Fund--State Appropriation (FY 2006)	\$18,904,000
16	General Fund--State Appropriation (FY 2007)	\$19,048,000
17	Public Safety and Education Account--State	
18	Appropriation	\$55,879,000
19	Judicial Information Systems Account--State	
20	Appropriation	\$25,199,000
21	TOTAL APPROPRIATION	\$119,030,000

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

24 (1) \$900,000 of the general fund--state appropriation for fiscal
25 year 2006 and \$900,000 of the general fund--state appropriation for
26 fiscal year 2007 are provided solely for court-appointed special
27 advocates in dependency matters. The administrator for the courts,
28 after consulting with the association of juvenile court administrators
29 and the association of court-appointed special advocate/guardian ad
30 litem programs, shall distribute the funds to volunteer court-appointed
31 special advocate/guardian ad litem programs. The distribution of
32 funding shall be based on the number of children who need volunteer
33 court-appointed special advocate representation and shall be equally
34 accessible to all volunteer court-appointed special advocate/guardian

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

4 (2) \$3,000,000 of the public safety and education account
5 appropriation is provided solely for school district petitions to
6 juvenile court for truant students as provided in RCW 28A.225.030 and
7 28A.225.035. The office of the administrator for the courts shall
8 develop an interagency agreement with the office of the superintendent
9 of public instruction to allocate the funding provided in this
10 subsection. Allocation of this money to school districts shall be
11 based on the number of petitions filed.

12 (3) \$13,224,000 of the public safety and education account
13 appropriation is provided solely for distribution to county juvenile
14 court administrators to fund the costs of processing truancy, children
15 in need of services, and at-risk youth petitions. The office of the
16 administrator for the courts shall not retain any portion of these
17 funds to cover administrative costs. The office of the administrator
18 for the courts, in conjunction with the juvenile court administrators,
19 shall develop an equitable funding distribution formula. The formula
20 shall neither reward counties with higher than average per-petition
21 processing costs nor shall it penalize counties with lower than average
22 per-petition processing costs.

23 (4) The distributions made under subsection (3) of this section and
24 distributions from the county criminal justice assistance account made
25 pursuant to section 801 of this act constitute appropriate
26 reimbursement for costs for any new programs or increased level of
27 service for purposes of RCW 43.135.060.

28 (5) Each fiscal year during the 2005-07 fiscal biennium, each
29 county shall report the number of petitions processed and the total
30 actual costs of processing truancy, children in need of services, and
31 at-risk youth petitions. Counties shall submit the reports to the
32 administrator for the courts no later than 45 days after the end of the
33 fiscal year. The administrator for the courts shall electronically
34 transmit this information to the chairs and ranking minority members of
35 the house of representatives appropriations committee and the senate
36 ways and means committee no later than 60 days after a fiscal year
37 ends. These reports are deemed informational in nature and are not for
38 the purpose of distributing funds.

1 (6) \$7,231,000 of the public safety and education account--state
2 appropriation is provided solely for distribution to local governments
3 to pay for district and certain municipal court judges' salaries
4 pursuant to Senate Bill No. 5454 (court operations). If Senate Bill
5 No. 5454 is not enacted by June 30, 2005, the amount provided in this
6 subsection shall lapse.

7 **NEW SECTION. Sec. 114. FOR THE OFFICE OF PUBLIC DEFENSE**

8	General Fund--State Appropriation (FY 2006)	\$3,985,000
9	General Fund--State Appropriation (FY 2007)	\$7,368,000
10	Public Safety and Education Account--State	
11	Appropriation	\$13,734,000
12	Public Benefit Account--State Appropriation	\$4,740,000
13	TOTAL APPROPRIATION	\$29,827,000

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

16 (1) \$51,000 of the public safety and education account
17 appropriation is provided solely for the office of public defense's
18 costs in implementing chapter 303, Laws of 1999 (court funding).

19 (2) Amounts provided from the public safety and education account
20 appropriation in this section include funding for investigative
21 services in death penalty personal restraint petitions.

22 (3) \$300,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$300,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided solely to contract with the Washington
25 defender association to continue services previously funded from the
26 federal drug control and system improvement formula grant through the
27 department of community, trade, and economic development.

28 (4) \$740,000 of the public benefit account--state appropriation is
29 provided solely for training and technical assistance for trial-level
30 criminal indigent defense. If Senate Bill No. 5287 (social card games)
31 is not enacted by June 30, 2005, the amount provided in this subsection
32 shall lapse.

33 (5) \$4,000,000 of the public benefit account--state appropriation
34 is provided solely for a criminal indigent defense pilot program. If
35 Senate Bill No. 5287 (social card games) is not enacted by June 30,
36 2005, the amount provided in this subsection shall lapse.

1 (a) The goal of the pilot program shall be to enhance the quality
2 of legal representation of indigent criminal defendants charged with
3 felony or misdemeanor offenses. To meet this goal, the pilot program
4 shall include the following components:

5 (i) Effective implementation of indigency screening of all
6 defendants represented by appointed counsel;

7 (ii) Implementation of enhanced defense attorney practice standards
8 consistent with the Washington state bar association standards as
9 currently written or revised, including but not limited to those
10 related to reasonable case preparation and the delivery of adequate
11 client advice; and

12 (iii) Use of investigative and expert services in appropriate
13 cases.

14 (b) The director shall contract for an independent evaluation of
15 the pilot program benefits and costs. An interim evaluation shall be
16 submitted to the chief justice of the supreme court, the governor, and
17 the fiscal committees of the legislature no later than January 1, 2006.
18 A final evaluation shall be submitted to the chief justice of the
19 supreme court, the governor, and the fiscal committees of the
20 legislature no later than December 1, 2007.

21 **NEW SECTION. Sec. 115. FOR THE OFFICE OF THE GOVERNOR**

22	General Fund--State Appropriation (FY 2006)	\$5,474,000
23	General Fund--State Appropriation (FY 2007)	\$4,928,000
24	General Fund--Federal Appropriation	\$1,350,000
25	Water Quality Account--State Appropriation	\$4,112,000
26	Oil Spill Prevention Account--State Appropriation	\$508,000
27	TOTAL APPROPRIATION	\$16,372,000

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

30 (1) \$4,112,000 of the water quality account appropriation and
31 \$1,150,000 of the general fund--federal appropriation are provided
32 solely for the Puget Sound water quality action team to implement the
33 Puget Sound conservation and recovery plan action items PSAT-01 through
34 PSAT-06.

35 (2) \$200,000 of the general fund--state appropriation for fiscal
36 year 2006, \$200,000 of the general fund--state appropriation for fiscal
37 year 2007, and \$200,000 of the general fund--federal appropriation are

1 provided solely for one-time corrective actions to address Hood canal's
2 dissolved oxygen problems, the Puget Sound conservation and recovery
3 plan action item PSAT-07.

4 (3) The Puget Sound water quality action team shall make
5 recommendations to improve, change, or eliminate monitoring activities
6 that impact performance measures related to salmon recovery and
7 watershed health. The Puget Sound water quality action team shall
8 coordinate with the governor's forum on monitoring and watershed health
9 and consult with the office of financial management in determining the
10 scope and contents of this report.

11 In preparing these recommendations, the Puget Sound water quality
12 action team shall prepare a report detailing all new activity and
13 updating all previously identified activity within the comprehensive
14 monitoring strategy with a focus on salmon recovery and watershed
15 health related monitoring activity within the agency. At a minimum,
16 the report shall include sufficient detail identifying the specific
17 salmon recovery and watershed health monitoring activity being
18 performed and include: Precise costs by fund source, a narrative
19 stating why it is required, when the activity started, the frequency of
20 data collection, and geographic location of data being collected.
21 Furthermore, the agency shall also provide sufficient detail that
22 describes the purpose of each monitoring activity, who uses the
23 information, how often it is accessed, where the information is stored,
24 and the current status and cost, by fund source, of the data storage
25 systems housing each monitoring activity identified within the agency.

26 The Puget Sound water quality action team shall provide a status
27 report summarizing progress to the governor's forum on monitoring and
28 watershed health and the office of financial management by March 1,
29 2006. A final report to the governor's forum on monitoring and
30 watershed health, the office of financial management, and legislative
31 fiscal committees is due no later than September 1, 2006.

32 (4) \$100,000 of the general fund--state appropriation for fiscal
33 year 2006 and \$100,000 of the general fund--state appropriation for
34 fiscal year 2007 are provided solely for the implementation of Senate
35 Bill No. 5385 (invasive species council). If the bill is not enacted
36 by June 30, 2005, the amounts provided in this subsection shall lapse.

37 (5) \$115,000 of the general fund--state appropriation for fiscal
38 year 2006 and \$115,000 of the general fund--state appropriation for

1 fiscal year 2007 are provided solely for the implementation of Senate
2 Bill No. 5278 (ocean policy review commission). If the bill is not
3 enacted by June 30, 2005, the amounts provided in this subsection shall
4 lapse.

5 (6) \$508,000 of the oil spill prevention account appropriation is
6 provided solely for the implementation of Senate Bill No. 5432 (oil
7 spill advisory council). If the bill is not enacted by June 30, 2005,
8 the amount provided in this subsection shall lapse.

9 NEW SECTION. **Sec. 116. FOR THE LIEUTENANT GOVERNOR**

10	General Fund--State Appropriation (FY 2006)	\$715,000
11	General Fund--State Appropriation (FY 2007)	\$726,000
12	TOTAL APPROPRIATION	\$1,441,000

13 NEW SECTION. **Sec. 117. FOR THE PUBLIC DISCLOSURE COMMISSION**

14	General Fund--State Appropriation (FY 2006)	\$1,947,000
15	General Fund--State Appropriation (FY 2007)	\$1,942,000
16	TOTAL APPROPRIATION	\$3,889,000

17 NEW SECTION. **Sec. 118. FOR THE SECRETARY OF STATE**

18	General Fund--State Appropriation (FY 2006)	\$18,749,000
19	General Fund--State Appropriation (FY 2007)	\$16,807,000
20	General Fund--Federal Appropriation	\$7,025,000
21	Archives and Records Management Account--State	
22	Appropriation	\$8,023,000
23	Local Government Archives Account--State	
24	Appropriation	\$11,773,000
25	Election Account--Federal Appropriation	\$46,993,000
26	TOTAL APPROPRIATION	\$109,370,000

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

29 (1) \$2,296,000 of the general fund--state appropriation for fiscal
30 year 2006 is provided solely to reimburse counties for the state's
31 share of primary and general election costs and the costs of conducting
32 mandatory recounts on state measures. Counties shall be reimbursed
33 only for those odd-year election costs that the secretary of state
34 validates as eligible for reimbursement.

1 (2) \$1,999,000 of the general fund--state appropriation for fiscal
2 year 2006 and \$2,403,000 of the general fund--state appropriation for
3 fiscal year 2007 are provided solely for the verification of initiative
4 and referendum petitions, maintenance of related voter registration
5 records, and the publication and distribution of the voters and
6 candidates pamphlet.

7 (3) \$125,000 of the general fund--state appropriation for fiscal
8 year 2006 and \$118,000 of the general fund--state appropriation for
9 fiscal year 2007 are provided solely for legal advertising of state
10 measures under RCW 29.27.072.

11 (4)(a) \$1,944,004 of the general fund--state appropriation for
12 fiscal year 2006 and \$1,986,772 of the general fund--state
13 appropriation for fiscal year 2007 are provided solely for contracting
14 with a nonprofit organization to produce gavel-to-gavel television
15 coverage of state government deliberations and other events of
16 statewide significance during the 2005-07 biennium. The funding level
17 for each year of the contract shall be based on the amount provided in
18 this subsection. The nonprofit organization shall be required to raise
19 contributions or commitments to make contributions, in cash or in kind,
20 in an amount equal to forty percent of the state contribution. The
21 office of the secretary of state may make full or partial payment once
22 all criteria in (a) and (b) of this subsection have been satisfactorily
23 documented.

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

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

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

35 (i) Attempting to influence the passage or defeat of any
36 legislation by the legislature of the state of Washington, by any
37 county, city, town, or other political subdivision of the state of

1 Washington, or by the congress, or the adoption or rejection of any
2 rule, standard, rate, or other legislative enactment of any state
3 agency;

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

7 NEW SECTION. **Sec. 119. FOR THE GOVERNOR'S OFFICE OF INDIAN**
8 **AFFAIRS**

9	General Fund--State Appropriation (FY 2006)	. . . . .	\$273,000
10	General Fund--State Appropriation (FY 2007)	. . . . .	\$284,000
11	TOTAL APPROPRIATION	. . . . .	\$557,000

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

22 NEW SECTION. **Sec. 120. FOR THE COMMISSION ON ASIAN-PACIFIC-**
23 **AMERICAN AFFAIRS**

24	General Fund--State Appropriation (FY 2006)	. . . . .	\$233,000
25	General Fund--State Appropriation (FY 2007)	. . . . .	\$234,000
26	TOTAL APPROPRIATION	. . . . .	\$467,000

27 NEW SECTION. **Sec. 121. FOR THE STATE TREASURER**

28	State Treasurer's Service Account--State		
29	Appropriation	. . . . .	\$13,666,000

30 NEW SECTION. **Sec. 122. FOR THE STATE AUDITOR**

31	General Fund--State Appropriation (FY 2006)	. . . . .	\$731,000
32	General Fund--State Appropriation (FY 2007)	. . . . .	\$727,000
33	State Auditing Services Revolving Account--State		
34	Appropriation	. . . . .	\$13,168,000

1 TOTAL APPROPRIATION \$14,626,000

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

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

9 (2) \$731,000 of the general fund--state appropriation for fiscal
10 year 2006 and \$727,000 of the general fund--state appropriation for
11 fiscal year 2007 are provided solely for staff and related costs to
12 verify the accuracy of reported school district data submitted for
13 state funding purposes; conduct school district program audits of state
14 funded public school programs; establish the specific amount of state
15 funding adjustments whenever audit exceptions occur and the amount is
16 not firmly established in the course of regular public school audits;
17 and to assist the state special education safety net committee when
18 requested.

19 (3) The office shall report to the office of financial management
20 and the appropriate fiscal committees of the legislature detailed
21 information on risk-based auditing, its theory, and its application for
22 the audits performed on Washington state government. The report shall
23 include an explanation of how the office identifies, measures, and
24 prioritizes risk, the manner in which the office uses these factors in
25 the planning and execution of the audits of Washington state
26 government, and the methods and procedures used in the conduct of the
27 risk-based audits themselves. The report is due no later than December
28 1, 2005.

29 **NEW SECTION. Sec. 123. FOR THE CITIZENS' COMMISSION ON SALARIES**
30 **FOR ELECTED OFFICIALS**

31 General Fund--State Appropriation (FY 2006) \$133,000
32 General Fund--State Appropriation (FY 2007) \$202,000
33 TOTAL APPROPRIATION \$335,000

34 **NEW SECTION. Sec. 124. FOR THE ATTORNEY GENERAL**

35 General Fund--State Appropriation (FY 2006) \$5,172,000
36 General Fund--State Appropriation (FY 2007) \$5,052,000

1	General Fund--Federal Appropriation	\$2,927,000
2	Public Safety and Education Account--State	
3	Appropriation	\$2,239,000
4	New Motor Vehicle Arbitration Account--State	
5	Appropriation	\$1,298,000
6	Legal Services Revolving Account--State Appropriation . .	\$182,267,000
7	Tobacco Prevention and Control Account--State	
8	Appropriation	\$270,000
9	TOTAL APPROPRIATION	\$199,225,000

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

12 (1) The attorney general shall report each fiscal year on actual
13 legal services expenditures and actual attorney staffing levels for
14 each agency receiving legal services. The report shall be submitted to
15 the office of financial management and the fiscal committees of the
16 senate and house of representatives no later than ninety days after the
17 end of each fiscal year.

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

23 NEW SECTION. **Sec. 125. FOR THE CASELOAD FORECAST COUNCIL**

24	General Fund--State Appropriation (FY 2006)	\$712,000
25	General Fund--State Appropriation (FY 2007)	\$695,000
26	TOTAL APPROPRIATION	\$1,407,000

27 NEW SECTION. **Sec. 126. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
28 **AND ECONOMIC DEVELOPMENT**

29	General Fund--State Appropriation (FY 2006)	\$66,916,000
30	General Fund--State Appropriation (FY 2007)	\$69,548,000
31	General Fund--Federal Appropriation	\$246,457,000
32	General Fund--Private/Local Appropriation	\$12,161,000
33	Public Safety and Education Account--State	
34	Appropriation	\$10,113,000
35	Public Works Assistance Account--State Appropriation . . .	\$2,814,000
36	Tourism Development and Promotion Account	

1	Appropriation	\$300,000
2	Drinking Water Assistance Administrative Account--	
3	State Appropriation	\$213,000
4	Lead Paint Account--State Appropriation	\$6,000
5	Building Code Council Account--State Appropriation	\$1,108,000
6	Administrative Contingency Account--State	
7	Appropriation	\$1,808,000
8	Low-Income Weatherization Assistance Account--State	
9	Appropriation	\$8,359,000
10	Violence Reduction and Drug Enforcement Account--State	
11	Appropriation	\$10,198,000
12	Manufactured Home Installation Training Account--State	
13	Appropriation	\$236,000
14	Community and Economic Development Fee Account--State	
15	Appropriation	\$1,567,000
16	Washington Housing Trust Account--State	
17	Appropriation	\$18,881,000
18	Homeless Families Service Account--State Appropriation	\$300,000
19	Public Facility Construction Loan Revolving	
20	Account--State Appropriation	\$601,000
21	Public Benefit Account--State Appropriation	\$4,000,000
22	TOTAL APPROPRIATION	\$455,586,000

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

25 (1) \$2,838,000 of the general fund--state appropriation for fiscal
26 year 2006 and \$2,838,000 of the general fund--state appropriation for
27 fiscal year 2007 are provided solely for a contract with the Washington
28 technology center for work essential to the mission of the Washington
29 technology center and conducted in partnership with universities. The
30 center shall not pay any increased indirect rate nor increases in other
31 indirect charges above the absolute amount paid during the 1995-97
32 fiscal biennium.

33 (2) \$61,000 of the general fund--state appropriation for fiscal
34 year 2006 and \$62,000 of the general fund--state appropriation for
35 fiscal year 2007 are provided solely for the implementation of the
36 Puget Sound work plan and agency action item CTED-01.

37 (3) \$5,902,000 of the general fund--federal appropriation is

1 provided solely for the justice assistance grant program, to be
2 distributed in state fiscal year 2006 as follows:

3 (a) \$2,064,000 to local units of government to continue
4 multijurisdictional narcotics task forces;

5 (b) \$330,000 to the department to continue the drug prosecution
6 assistance program in support of multijurisdictional narcotics task
7 forces;

8 (c) \$675,000 to the Washington state patrol for coordination,
9 investigative, and supervisory support to the multijurisdictional
10 narcotics task forces and for methamphetamine education and response;

11 (d) \$20,000 to the department for tribal law enforcement;

12 (e) \$345,000 to the department to continue domestic violence legal
13 advocacy;

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

17 (g) \$351,000 to the department of social and health services,
18 division of alcohol and substance abuse, for juvenile drug courts in
19 eastern and western Washington;

20 (h) \$626,000 to the department of social and health services,
21 juvenile rehabilitation administration, to continue youth violence
22 prevention and intervention projects;

23 (i) \$97,000 to the department to continue evaluation of this grant
24 program;

25 (j) \$290,000 to the office of financial management for criminal
26 history records improvement;

27 (k) \$580,000 to the department for required grant administration,
28 monitoring, and reporting on justice assistance grant programs; and

29 (l) \$464,000 to the department for distribution to small
30 municipalities.

31 These amounts represent the maximum justice assistance grant
32 expenditure authority for each program. No program may expend justice
33 assistance grant funds in excess of the amounts provided in this
34 subsection. If moneys in excess of those appropriated in this
35 subsection become available, whether from prior or current fiscal year
36 distributions, the department shall hold these moneys in reserve and
37 may not expend them without specific appropriation. These moneys shall
38 be carried forward and applied to the pool of moneys available for

1 appropriation for programs and projects in the succeeding fiscal year.
2 As part of its budget request for the succeeding year, the department
3 shall estimate and request authority to spend any justice assistance
4 grant funds.

5 (4) \$170,000 of the general fund--state appropriation for fiscal
6 year 2006 and \$170,000 of the general fund--state appropriation for
7 fiscal year 2007 are provided solely to fund domestic violence legal
8 advocacy, in recognition of reduced federal grant funding.

9 (5) \$205,000 of the general fund--state appropriation for fiscal
10 year 2006 and \$205,000 of the general fund--state appropriation for
11 fiscal year 2007 are provided solely for grants to Washington Columbia
12 River Gorge counties to implement their responsibilities under the
13 national scenic area management plan. Of this amount, \$390,000 is
14 provided for Skamania county and \$20,000 is provided for Clark county.

15 (6) \$29,178,000 of the general fund--state appropriation for fiscal
16 year 2006 and \$29,606,000 of the general fund--state appropriation for
17 fiscal year 2007 are provided solely for providing early childhood
18 education assistance. Of these amounts, \$2,616,000 in each fiscal year
19 may be used solely to increase the number of children receiving
20 education, and \$263,000 in fiscal year 2006 and \$692,000 in fiscal year
21 2007 are provided solely for a targeted vendor rate increase.

22 (7) Repayments of outstanding loans granted under RCW 43.63A.600,
23 the mortgage and rental assistance program, shall be remitted to the
24 department, including any current revolving account balances. The
25 department shall contract with a lender or contract collection agent to
26 act as a collection agent of the state. The lender or contract
27 collection agent shall collect payments on outstanding loans, and
28 deposit them into an interest-bearing account. The funds collected
29 shall be remitted to the department quarterly. Interest earned in the
30 account may be retained by the lender or contract collection agent, and
31 shall be considered a fee for processing payments on behalf of the
32 state. Repayments of loans granted under this chapter shall be made to
33 the lender or contract collection agent as long as the loan is
34 outstanding, notwithstanding the repeal of the chapter.

35 (8) \$1,288,000 of the Washington housing trust account--state
36 appropriation shall lapse if neither House Bill No. 1074 nor Senate
37 Bill No. 5108 are enacted by June 30, 2005.

1 (9) \$236,000 of the public works assistance account--state
2 appropriation is provided solely for technical assistance to
3 municipalities through the small communities initiative.

4 (10) \$625,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$625,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely for food banks to obtain and
7 distribute additional nutritious food; purchase equipment to transport
8 and store perishable products; provide training and written information
9 on obesity to tribal and food bank workers and food bank clients; and
10 collaborate with other agencies and experts on nutrition and obesity
11 for services at food banks and tribal voucher programs.

12 (11) \$1,154,000 of the violence reduction and drug enforcement
13 account appropriation is provided solely for the community mobilization
14 program to provide grants and training to community organizations.

15 (12) \$2,000,000 of the general fund--state appropriation for fiscal
16 year 2007 is provided solely for the community services block grant
17 program to replace federal funding in order to prevent the closure of
18 community action agencies as a result of loss of federal funding. To
19 the extent that federal funding is provided for this purpose, the
20 amount provided in this subsection shall lapse.

21 (13) \$75,000 of the general fund--state appropriation for fiscal
22 year 2006 and \$75,000 of the general fund--state appropriation for
23 fiscal year 2007 are provided solely to HistoryLink for producing
24 noncommercial, public information on state and local history.

25 (14) \$25,000 of the general fund--state appropriation for fiscal
26 year 2006 and \$25,000 of the general fund--state appropriation for
27 fiscal year 2007 are provided solely to Women's Hearth.

28 (15) \$65,000 of the general fund--state appropriation for fiscal
29 year 2006 and \$65,000 of the general fund--state appropriation for
30 fiscal year 2007 are provided solely for a contract with a food
31 distribution program for communities in the southwestern portion of the
32 state and for workers impacted by timber and salmon fishing closures
33 and reductions. The department may not charge administrative overhead
34 of expenses to the funds provided in this subsection.

35 (16) \$125,000 of the general fund--state appropriation for fiscal
36 year 2006 and \$125,000 of the general fund--state appropriation for
37 fiscal year 2007 are provided solely for the center for advanced
38 manufacturing to assist and serve incubating manufacturing companies.

1 (17) \$3,000,000 of the public benefit account--state appropriation
2 is provided solely to increase grant funding for civil legal
3 representation of indigent persons under RCW 43.08.260. If Senate Bill
4 No. 5287 (social card games) is not enacted by June 30, 2005, the
5 amount provided in this subsection shall lapse.

6 (18) \$1,000,000 of the public benefit account--state appropriation
7 is provided solely to fund the Pierce county alliance's methamphetamine
8 family services treatment program and safe streets of Tacoma's
9 methamphetamine prevention service. If Senate Bill No. 5287 (social
10 card games) is not enacted by June 30, 2005, the amount provided in
11 this subsection shall lapse.

12 (19) \$50,500 of the general fund--state appropriation is provided
13 solely for work with the northwest food processors association on the
14 food processing cluster development project.

15 NEW SECTION. **Sec. 127. FOR THE ECONOMIC AND REVENUE FORECAST**
16 **COUNCIL**

17	General Fund--State Appropriation (FY 2006)	\$568,000
18	General Fund--State Appropriation (FY 2007)	\$503,000
19	TOTAL APPROPRIATION	\$1,071,000

20 NEW SECTION. **Sec. 128. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

21	General Fund--State Appropriation (FY 2006)	\$16,259,000
22	General Fund--State Appropriation (FY 2007)	\$15,539,000
23	General Fund--Federal Appropriation	\$23,510,000
24	Public Works Assistance Account--State Appropriation	\$200,000
25	Violence Reduction and Drug Enforcement Account--State	
26	Appropriation	\$246,000
27	State Auditing Services Revolving Account--State	
28	Appropriation	\$25,000
29	TOTAL APPROPRIATION	\$55,779,000

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

32 (1) \$200,000 of the public works assistance account appropriation
33 is provided solely for an inventory and evaluation of the most
34 effective way to organize the state public infrastructure programs and
35 funds. The inventory shall identify: The public infrastructure state
36 programs and funds and the purposes each serve; how the program or fund

1 is implemented; the types of public infrastructure projects supported
2 by the program or fund; the dollar amount of the projects funded,
3 annual loan amounts, outstanding loans, and repayments by each program
4 or fund; and the geographic distribution of projects supported by a
5 program or fund. Where applicable, the inventory shall identify
6 overlaps or gaps in types of public infrastructure projects supported
7 through state programs or funds. The evaluation shall develop
8 recommendations to have the most efficient and effective programs that
9 fund: Economic development and job growth; repairing failing systems;
10 expanding systems to handle growth; geographic diversity; the type of
11 systems; and environmental improvements. The inventory and evaluation
12 shall be delivered to the governor and the appropriate committees of
13 the legislature by September 1, 2005.

14 (2)(a) \$182,000 of the general fund--state appropriation for fiscal
15 year 2006 is provided solely for a study of residential services for
16 persons with developmental disabilities to identify a preferred
17 continuum of developmental disabilities residential services and
18 develop recommendations regarding steps to be undertaken to transition
19 to the preferred system within four years. The study shall make
20 recommendations by October 1, 2005, regarding the number and
21 proportions of different types of residential services that should be
22 available or developed in different regions of the state and how
23 current resources for residential services may be best allocated to
24 meet the needs of as many clients as possible, taking client acuity and
25 geography into consideration. By January 1, 2006, recommendations
26 shall be complete regarding suggested steps and timeline for
27 transitioning, within maintenance level funding, the current
28 residential service system to the preferred residential service system
29 within four years.

30 (b) The study shall be overseen by an advisory group consisting of
31 thirteen members including one representative each of the governor's
32 office, the office of financial management or the department of social
33 and health services, and the Washington state developmental
34 disabilities council, appointed by the governor; two representatives of
35 labor, appointed by the governor; one representative of community
36 residential care providers, appointed by the governor; one
37 representative of residents of residential habilitation centers and
38 their families; one representative of individuals served in community

1 residential programs and their families, appointed by the governor; one
2 individual with a developmental disability who is or has been a
3 resident in a residential habilitation center and who is being or has
4 been served in a community residential program, appointed by the
5 governor; and two members of the house of representatives appointed by
6 the speaker of the house of representatives, one of whom shall be a
7 member of the majority caucus and one of whom shall be a member of the
8 minority caucus, and two members of the senate appointed by the
9 president of the senate, one of whom shall be a member of the majority
10 caucus and one of whom shall be a member of the minority caucus. The
11 governor shall appoint the chairperson. Legislative members of the
12 advisory group shall be reimbursed for travel expenses in accordance
13 with RCW 44.04.120. Nonlegislative members are entitled to be
14 reimbursed for travel expenses in accordance with RCW 43.03.050 and
15 43.03.060. The department of social and health services, the
16 developmental disabilities council, the office of financial management,
17 the house of representatives office of program research, and senate
18 committee services shall provide staff support.

19 (c) The advisory group may contract for specialized outside
20 professional services to assist in completing the survey, analysis, and
21 plan development work described in subsection (2)(a) of this section.

22 (3) \$163,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$127,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided solely for implementation of Substitute
25 Senate Bill No. 5442 or Second Substitute House Bill No. 1220 (long-
26 term care financing task force). If neither bill is enacted by June
27 30, 2005, the amounts provided in this subsection shall lapse.

28 (4) \$870,000 of the general fund--state appropriation for fiscal
29 year 2006 and \$871,000 of the general fund--state appropriation for
30 fiscal year 2007 are provided solely for the implementation of Senate
31 Bill No. 5441 (education finance study). If the bill is not enacted by
32 June 30, 2005, the amounts provided in this subsection shall lapse.

33 (5) The office of financial management shall work with the
34 department of social and health services and legislative fiscal
35 committee staff, with data provided by the caseload forecast council
36 and the updated juvenile rehabilitation master plan, to determine at
37 what point closure or consolidation of Green Hill training school or
38 Maple Lane training school will be necessary based on declining

1 population, and to develop a plan for potential closure or
2 consolidation with other department of social and health services
3 facilities. The plan shall include, but not be limited to,
4 recommendations for operating and capital budget decisions, including
5 capital investments needed to facilitate closure or consolidation and
6 provide the necessary range of services in the juvenile rehabilitation
7 system if a facility is closed. The office of financial management
8 shall report to the fiscal committees of the legislature not later than
9 October 1, 2006.

10 NEW SECTION. **Sec. 129. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

11 Administrative Hearings Revolving Account--State
12 Appropriation \$28,417,000

13 NEW SECTION. **Sec. 130. FOR THE DEPARTMENT OF PERSONNEL**

14 Department of Personnel Service Account--State
15 Appropriation \$19,082,000
16 Higher Education Personnel Services Account--State
17 Appropriation \$1,610,000
18 TOTAL APPROPRIATION \$20,692,000

19 The appropriations in this section are subject to the following
20 conditions and limitations: The department shall coordinate with the
21 governor's office of Indian affairs on providing the government-to-
22 government training sessions for federal, state, local, and tribal
23 government employees. The training sessions shall cover tribal
24 historical perspectives, legal issues, tribal sovereignty, and tribal
25 governments. Costs of the training sessions shall be recouped through
26 a fee charged to the participants of each session. The department
27 shall be responsible for all of the administrative aspects of the
28 training, including the billing and collection of the fees for the
29 training.

30 NEW SECTION. **Sec. 131. FOR THE WASHINGTON STATE LOTTERY**

31 Lottery Administrative Account--State Appropriation . . . \$23,343,000

32 The appropriation in this section is subject to the following
33 conditions and limitations: The appropriation in this section may not
34 be expended by the Washington state lottery to investigate, evaluate,
35 develop, implement, or otherwise support any game that allows or

1 requires a player to become eligible for a prize or to otherwise play
2 any portion of the game by using either (1) the internet; or (2) any
3 interactive device or terminal involving electronic, digital, or video
4 representations of pull-tabs, bingo, poker or other cards, dice,
5 roulette, keno, or other games of chance.

6 NEW SECTION. **Sec. 132. FOR THE COMMISSION ON HISPANIC AFFAIRS**
7 General Fund--State Appropriation (FY 2006) \$236,000
8 General Fund--State Appropriation (FY 2007) \$243,000
9 TOTAL APPROPRIATION \$479,000

10 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON AFRICAN-AMERICAN**
11 **AFFAIRS**
12 General Fund--State Appropriation (FY 2006) \$235,000
13 General Fund--State Appropriation (FY 2007) \$236,000
14 TOTAL APPROPRIATION \$471,000

15 NEW SECTION. **Sec. 134. FOR THE PERSONNEL APPEALS BOARD**
16 Department of Personnel Service Account--State
17 Appropriation \$1,006,000

18 NEW SECTION. **Sec. 135. FOR THE DEPARTMENT OF RETIREMENT**
19 **SYSTEMS--OPERATIONS**
20 Dependent Care Administrative Account--State
21 Appropriation \$406,000
22 Department of Retirement Systems Expense Account--
23 State Appropriation \$43,708,000
24 TOTAL APPROPRIATION \$44,114,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: \$16,000 of the department of retirement
27 systems expense account appropriation is provided solely to implement
28 Senate Bill No. 5522 (purchasing service credit). If the bill is not
29 enacted by June 30, 2005, the amount provided in this subsection shall
30 lapse.

31 NEW SECTION. **Sec. 136. FOR THE STATE INVESTMENT BOARD**
32 State Investment Board Expense Account--State
33 Appropriation \$15,719,000

1 NEW SECTION. **Sec. 137. FOR THE DEPARTMENT OF REVENUE**

2	General Fund--State Appropriation (FY 2006)	\$86,930,000
3	General Fund--State Appropriation (FY 2007)	\$86,143,000
4	Timber Tax Distribution Account--State Appropriation	\$5,446,000
5	Waste Reduction/Recycling/Litter Control--State	
6	Appropriation	\$104,000
7	State Toxics Control Account--State Appropriation	\$69,000
8	Oil Spill Prevention Account--State Appropriation	\$14,000
9	TOTAL APPROPRIATION	\$178,706,000

10 The appropriations in this section are subject to the following
11 conditions and limitations: By December 15, 2005, the department of
12 revenue shall report to the health care and fiscal committees of the
13 legislature on options for providing financial incentives for private
14 practice physicians to serve uninsured patients, and those subsidized
15 by state-sponsored low-income health care programs. The report shall
16 be developed in consultation with the department of health, the
17 department of social and health services, and the health care
18 authority, and shall include an assessment of the relative costs and
19 effectiveness of strategies including, but not limited to, tax credits
20 and payment rate increases.

21 NEW SECTION. **Sec. 138. FOR THE BOARD OF TAX APPEALS**

22	General Fund--State Appropriation (FY 2006)	\$1,350,000
23	General Fund--State Appropriation (FY 2007)	\$1,182,000
24	TOTAL APPROPRIATION	\$2,532,000

25 NEW SECTION. **Sec. 139. FOR THE MUNICIPAL RESEARCH COUNCIL**

26	County Research Services Account--State Appropriation	\$787,000
27	City and Town Research Services Account--State	
28	Appropriation	\$4,134,000
29	TOTAL APPROPRIATION	\$4,921,000

30 NEW SECTION. **Sec. 140. FOR THE OFFICE OF MINORITY AND WOMEN'S**
31 **BUSINESS ENTERPRISES**

32	OMWBE Enterprises Account--State Appropriation	\$3,094,000
----	--	-------------

33 The appropriation in this section is subject to the following
34 conditions and limitations: \$180,000 of the OMWBE enterprises account
35 appropriation is provided for management of private sector grants and

1 coordination of support services to small businesses in the state. It
2 is the intent of the legislature that this amount be funded from new
3 grant revenues and business fees.

4 NEW SECTION. **Sec. 141. FOR THE DEPARTMENT OF GENERAL**
5 **ADMINISTRATION**

6	General Fund--State Appropriation (FY 2006)	\$243,000
7	General Fund--State Appropriation (FY 2007)	\$228,000
8	General Fund--Federal Appropriation	\$3,634,000
9	General Administration Service Account--State	
10	Appropriation	\$32,651,000
11	TOTAL APPROPRIATION	\$36,756,000

12 NEW SECTION. **Sec. 142. FOR THE DEPARTMENT OF INFORMATION**
13 **SERVICES**

14	Data Processing Revolving Account--State	
15	Appropriation	\$3,552,000

16 NEW SECTION. **Sec. 143. FOR THE INSURANCE COMMISSIONER**

17	General Fund--Federal Appropriation	\$655,000
18	Insurance Commissioners Regulatory Account--State	
19	Appropriation	\$39,023,000
20	TOTAL APPROPRIATION	\$39,678,000

21 The appropriations in this section are subject to the following
22 conditions and limitations: The office of the insurance commissioner
23 shall perform an evaluation of the feasibility of subscription air
24 ambulance service pursuant to the provisions of Engrossed Substitute
25 Senate Bill No. 5736.

26 NEW SECTION. **Sec. 144. FOR THE BOARD OF ACCOUNTANCY**

27	Certified Public Accountants' Account--State	
28	Appropriation	\$1,931,000

29 NEW SECTION. **Sec. 145. FOR THE FORENSIC INVESTIGATION COUNCIL**

30	Death Investigations Account--State Appropriation	\$282,000
----	---	-----------

31 The appropriation in this section is subject to the following
32 conditions and limitations: \$250,000 of the death investigation
33 account appropriation is provided solely for providing financial

1 assistance to local jurisdictions in multiple death investigations.
2 The forensic investigation council shall develop criteria for awarding
3 these funds for multiple death investigations involving an
4 unanticipated, extraordinary, and catastrophic event or those involving
5 multiple jurisdictions.

6 NEW SECTION. **Sec. 146. FOR THE HORSE RACING COMMISSION**

7 Horse Racing Commission Operating Account--State
8 Appropriation \$4,878,000

9 NEW SECTION. **Sec. 147. FOR THE LIQUOR CONTROL BOARD**

10 General Fund--State Appropriation (FY 2006) \$1,528,000
11 General Fund--State Appropriation (FY 2007) \$1,521,000
12 Liquor Control Board Construction and Maintenance
13 Account--State Appropriation \$12,832,000
14 Liquor Revolving Account--State Appropriation \$149,810,000
15 TOTAL APPROPRIATION \$165,691,000

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

18 (1) As authorized under RCW 66.16.010, the liquor control board
19 shall add an equivalent surcharge of \$0.42 per liter on all retail
20 sales of spirits, excluding licensee, military and tribal sales,
21 effective no later than July 1, 2005. The intent of this surcharge is
22 to generate additional revenues for the state general fund in the
23 2005-07 biennium.

24 (2) \$154,000 of the liquor revolving account--state appropriation
25 is provided solely for the lease of state vehicles from the department
26 of general administration's motor pool.

27 (3) \$2,228,000 of the liquor revolving account--state appropriation
28 is provided solely for costs associated with the installation of a wide
29 area network that connects all of the state liquor stores and the
30 liquor control board headquarters.

31 (4) \$186,000 of the liquor revolving account--state appropriation
32 is provided solely for an alcohol education staff coordinator and
33 associated alcohol educational resources targeted toward middle school
34 and high school students.

35 (5) \$2,261,000 of the liquor revolving account--state appropriation

1 is provided solely for replacement of essential computer equipment,
2 improvement of security measures, and improvement to the core
3 information technology infrastructure.

4 (6) \$2,800,000 of the liquor control board construction and
5 maintenance account--state appropriation is provided solely for the
6 certificate of participation to fund the expansion of the liquor
7 distribution center.

8 (7) \$3,233,000 of the liquor revolving account--state appropriation
9 is provided solely for upgrades to material handling system and
10 warehouse management system software and equipment, and associated
11 staff to increase the liquor distribution center's shipping capacity.

12 (8) \$2,746,000 of the liquor revolving account--state appropriation
13 is provided solely for additional state liquor store and retail
14 business analysis staff. The additional liquor store staff will be
15 deployed to those stores with the greatest potential for increased
16 customer satisfaction and revenue growth. The liquor control board,
17 using the new retail business analysis staff and, if needed, an
18 independent consultant, will analyze the impact of additional staff on
19 customer satisfaction and revenue growth and make recommendations that
20 will increase the effectiveness and efficiency of all the liquor
21 control board's retail-related activities. Using best practices and
22 benchmarks from comparable retail organizations, the analysis will
23 evaluate and make recommendations, at a minimum, on the following
24 issues: Optimal staffing levels and store locations and numbers of
25 stores (both state liquor stores and contract liquor stores); options
26 for an improved retail organizational structure; strategies to increase
27 the retail decision-making capacity; and resources required for
28 enhanced internal organizational support of the retail activities. In
29 support of this evaluation, a survey shall be employed to gauge
30 customer satisfaction with state and contract liquor store services.
31 A written evaluation with recommendations shall be submitted to the
32 governor and the legislative fiscal committees by October 1, 2006.

33 NEW SECTION. **Sec. 148. FOR THE UTILITIES AND TRANSPORTATION**
34 **COMMISSION**

35	Public Service Revolving Account--State Appropriation . . .	\$27,787,000
36	Pipeline Safety Account--State Appropriation	\$2,827,000
37	Pipeline Safety Account--Federal Appropriation	\$1,476,000

1 TOTAL APPROPRIATION \$32,090,000

2 NEW SECTION. Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS
3 Volunteer Firefighters' and Reserve Officers'
4 Administrative Account--State Appropriation \$750,000

5 NEW SECTION. Sec. 150. FOR THE MILITARY DEPARTMENT
6 General Fund--State Appropriation (FY 2006) \$9,017,000
7 General Fund--State Appropriation (FY 2007) \$8,970,000
8 General Fund--Federal Appropriation \$165,137,000
9 Enhanced 911 Account--State Appropriation \$34,705,000
10 Disaster Response Account--State Appropriation \$3,144,000
11 Disaster Response Account--Federal Appropriation \$11,008,000
12 Worker and Community Right-to-Know Account--State
13 Appropriation \$302,000
14 Nisqually Earthquake Account--State Appropriation \$6,687,000
15 Nisqually Earthquake Account--Federal Appropriation \$29,052,000
16 Military Department Rental and Lease Account--State
17 Appropriation \$378,000
18 TOTAL APPROPRIATION \$268,400,000

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

21 (1) \$2,277,000 of the disaster response account--state
22 appropriation and \$11,008,000 of the disaster response account--federal
23 appropriation may be spent only on disasters declared by the governor
24 and with the approval of the office of financial management. The
25 military department shall submit a report quarterly to the office of
26 financial management and the legislative fiscal committees detailing
27 information on the disaster response account, including: (a) The
28 amount and type of deposits into the account; (b) the current available
29 fund balance as of the reporting date; and (c) the projected fund
30 balance at the end of the 2005-07 biennium based on current revenue and
31 expenditure patterns.

32 (2) \$6,687,000 of the Nisqually earthquake account--state
33 appropriation and \$29,052,000 of the Nisqually earthquake account--
34 federal appropriation are provided solely for response and recovery
35 costs associated with the February 28, 2001, earthquake. The military
36 department shall submit a report quarterly to the office of financial

1 management and the legislative fiscal committees detailing earthquake
2 recovery costs, including: (a) Estimates of total costs; (b)
3 incremental changes from the previous estimate; (c) actual
4 expenditures; (d) estimates of total remaining costs to be paid; and
5 (e) estimates of future payments by biennium. This information shall
6 be displayed by fund, by type of assistance, and by amount paid on
7 behalf of state agencies or local organizations. The military
8 department shall also submit a report quarterly to the office of
9 financial management and the legislative fiscal committees detailing
10 information on the Nisqually earthquake account, including: (a) The
11 amount and type of deposits into the account; (b) the current available
12 fund balance as of the reporting date; and (c) the projected fund
13 balance at the end of the 2005-07 biennium based on current revenue and
14 expenditure patterns.

15 (3) \$127,586,000 of the general fund--federal appropriation is
16 provided solely for homeland security, subject to the following
17 conditions:

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

21 (b) This amount shall not be allotted until a spending plan is
22 reviewed by the governor's domestic security advisory group and
23 approved by the office of financial management;

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

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

36 (4) \$867,000 of the disaster response account--state appropriation
37 is provided solely for the Cowlitz county 911 communications center for

1 the purpose of purchasing or reimbursing the purchase of interoperable
2 radio communication technology to improve disaster response in the
3 Mount St. Helens area.

4 NEW SECTION. **Sec. 151. FOR THE PUBLIC EMPLOYMENT RELATIONS**
5 **COMMISSION**

6	General Fund--State Appropriation (FY 2006)	\$2,572,000
7	General Fund--State Appropriation (FY 2007)	\$2,574,000
8	Department of Personnel Service Account--State	
9	Appropriation	\$2,704,000
10	TOTAL APPROPRIATION	\$7,850,000

11 NEW SECTION. **Sec. 152. FOR THE GROWTH PLANNING HEARINGS BOARD**

12	General Fund--State Appropriation (FY 2006)	\$1,558,000
13	General Fund--State Appropriation (FY 2007)	\$1,550,000
14	TOTAL APPROPRIATION	\$3,108,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: \$9,000 of the general fund--state
17 appropriation for fiscal year 2006 and \$9,000 of the general fund--
18 state appropriation for fiscal year 2007 are provided solely for the
19 Western Board to relocate. If the Western Board does not relocate by
20 June 30, 2006, the amounts provided in this subsection shall lapse.

21 NEW SECTION. **Sec. 153. FOR THE STATE CONVENTION AND TRADE CENTER**

22	State Convention and Trade Center Account--State	
23	Appropriation	\$30,512,000
24	State Convention and Trade Center Operating	
25	Account--State Appropriation	\$45,983,000
26	TOTAL APPROPRIATION	\$76,495,000

27 NEW SECTION. **Sec. 154. FOR THE DEPARTMENT OF ARCHAEOLOGY &**
28 **HISTORIC PRESERVATION**

29	General Fund--State Appropriation (FY 2006)	\$550,000
30	General Fund--State Appropriation (FY 2007)	\$549,000
31	General Fund--Federal Appropriation	\$1,446,000

1	General Fund--Private/Local Appropriation	\$14,000
2	TOTAL APPROPRIATION	\$2,559,000

(End of part)

PART II
HUMAN SERVICES

NEW SECTION. **Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.** (1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

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

(3) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage Medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP) the department may combine and transfer such Medicaid funds appropriated under sections 204, 206, 208, and 209 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons during the 2005-2007 biennium. The amount of funding assigned to the pilot projects from each program may not

1 exceed the average per capita cost assumed in this act for individuals
 2 covered by that program, actuarially adjusted for the health condition
 3 of persons enrolled in the pilot, times the number of clients enrolled
 4 in the pilot. In implementing the WMIP pilot projects, the department
 5 may: (a) Withhold from calculations of "available resources" as set
 6 forth in RCW 71.24.025 a sum equal to the capitated rate for
 7 individuals enrolled in the pilots; and (b) employ capitation financing
 8 and risk-sharing arrangements in collaboration with health care service
 9 contractors licensed by the office of the insurance commissioner and
 10 qualified to participate in both the medicaid and medicare programs.
 11 The department shall conduct an evaluation of the WMIP, measuring
 12 changes in participant health outcomes, changes in patterns of service
 13 utilization, participant satisfaction, participant access to services,
 14 and the state fiscal impact.

15 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
 16 **SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

17	General Fund--State Appropriation (FY 2006)	\$241,346,000
18	General Fund--State Appropriation (FY 2007)	\$248,038,000
19	General Fund--Federal Appropriation	\$413,111,000
20	General Fund--Private/Local Appropriation	\$400,000
21	Public Safety and Education Account--State	
22	Appropriation	\$21,871,000
23	Violence Reduction and Drug Enforcement Account--State	
24	Appropriation	\$1,515,000
25	TOTAL APPROPRIATION	\$926,281,000

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

28 (1) \$2,271,000 of the fiscal year 2006 general fund--state
 29 appropriation, \$2,271,000 of the fiscal year 2007 general fund--state
 30 appropriation, and \$1,584,000 of the general fund--federal
 31 appropriation are provided solely for the category of services titled
 32 "intensive family preservation services."

33 (2) \$701,000 of the general fund--state fiscal year 2006
 34 appropriation and \$701,000 of the general fund--state fiscal year 2007
 35 appropriation are provided to contract for the operation of one
 36 pediatric interim care facility. The facility shall provide
 37 residential care for up to thirteen children through two years of age.

1 Seventy-five percent of the children served by the facility must be in
2 need of special care as a result of substance abuse by their mothers.
3 The facility shall also provide on-site training to biological,
4 adoptive, or foster parents. The facility shall provide at least three
5 months of consultation and support to parents accepting placement of
6 children from the facility. The facility may recruit new and current
7 foster and adoptive parents for infants served by the facility. The
8 department shall not require case management as a condition of the
9 contract.

10 (3) \$375,000 of the general fund--state fiscal year 2006
11 appropriation, \$375,000 of the general fund--state fiscal year 2007
12 appropriation, and \$322,000 of the general fund--federal appropriation
13 are provided for up to three nonfacility-based programs for the
14 training, consultation, support, and recruitment of biological, foster,
15 and adoptive parents of children through age three in need of special
16 care as a result of substance abuse by their mothers, except that each
17 program may serve up to three medically fragile nonsubstance-abuse-
18 affected children. In selecting nonfacility-based programs, preference
19 shall be given to programs whose federal or private funding sources
20 have expired or that have successfully performed under the existing
21 pediatric interim care program.

22 (4) \$325,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$325,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided solely for the state association of
25 children's advocacy centers. Funds will be distributed annually as
26 follows: (a) Children's advocacy centers that meet the national
27 children's alliance accreditation standards for full membership, and
28 are members in good standing, will be eligible to receive up to \$30,000
29 per center for operations, or for expansion of services; (b)
30 communities in the process of establishing a center will be eligible to
31 receive up to \$10,000 per county or multi-county services area. A 50
32 percent match will be required of each center receiving state funding.
33 In addition, the state association of children's advocacy centers will
34 receive up to \$50,000 to provide training and technical assistance.

35 (5) \$50,000 of the fiscal year 2006 general fund--state
36 appropriation and \$50,000 of the fiscal year 2007 general fund--state
37 appropriation are provided solely for a street youth program in
38 Spokane.

1 (6) \$1,382,000 of the fiscal year 2006 general fund--state
2 appropriation, \$2,502,000 of the fiscal year 2007 general fund--state
3 appropriation, and \$1,664,000 of the general fund--federal
4 appropriation are provided for reforms to the child protective services
5 and child welfare services programs, including 30-day face-to-face
6 contact for children in out-of-home care, improved timeliness of child
7 protective services investigations, and an enhanced in-home child
8 welfare services program. The department shall report December 1st of
9 each year on the status of the hiring of new staff, implementation
10 status, and outcomes of the reform.

11 (7) \$572,000 of the fiscal year 2006 general fund--state
12 appropriation, \$572,000 of the fiscal year 2007 general fund--state
13 appropriation, and \$1,144,000 of the general fund--federal
14 appropriation are provided solely to implement Senate Bill No. 5763
15 (mental disorders treatment). If the bill is not enacted by June 30,
16 2005, the amounts provided in this subsection shall lapse.

17 (8) The providers for the 31 HOPE beds shall be paid a \$1,000 base
18 payment per bed per month, and reimbursed for the remainder of the bed
19 cost only when the beds are occupied.

20 (9) Within funding provided for the foster care and adoption
21 support programs, the department shall control reimbursement decisions
22 for foster care and adoption support cases such that the aggregate
23 average cost per case for foster care and for adoption support does not
24 exceed the amounts assumed in the projected caseload expenditures. The
25 department shall adjust adoption support benefits to account for the
26 availability of the new federal adoption support tax credit for special
27 needs children. The department shall report annually by October 1st to
28 the appropriate committees of the legislature on the specific efforts
29 taken to contain costs.

30 NEW SECTION. **Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
31 **SERVICES--JUVENILE REHABILITATION PROGRAM**

32	General Fund--State Appropriation (FY 2006)	\$78,078,000
33	General Fund--State Appropriation (FY 2007)	\$78,693,000
34	General Fund--Federal Appropriation	\$6,122,000
35	General Fund--Private/Local Appropriation	\$1,098,000
36	Violence Reduction and Drug Enforcement Account--State	
37	Appropriation	\$38,453,000

1	Juvenile Accountability Incentive Account--Federal	
2	Appropriation	\$5,528,000
3	TOTAL APPROPRIATION	\$207,972,000

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

6 (1) \$695,000 of the violence reduction and drug enforcement account
7 appropriation is provided solely for deposit in the county criminal
8 justice assistance account for costs to the criminal justice system
9 associated with the implementation of chapter 338, Laws of 1997
10 (juvenile code revisions). The amounts provided in this subsection are
11 intended to provide funding for county adult court costs associated
12 with the implementation of chapter 338, Laws of 1997 and shall be
13 distributed in accordance with RCW 82.14.310.

14 (2) \$6,065,000 of the violence reduction and drug enforcement
15 account appropriation is provided solely for the implementation of
16 chapter 338, Laws of 1997 (juvenile code revisions). The amounts
17 provided in this subsection are intended to provide funding for county
18 impacts associated with the implementation of chapter 338, Laws of 1997
19 and shall be distributed to counties as prescribed in the current
20 consolidated juvenile services (CJS) formula.

21 (3) \$1,204,000 of the general fund--state appropriation for fiscal
22 year 2006, \$1,204,000 of the general fund--state appropriation for
23 fiscal year 2007, and \$5,262,000 of the violence reduction and drug
24 enforcement account appropriation are provided solely to implement
25 community juvenile accountability grants pursuant to chapter 338, Laws
26 of 1997 (juvenile code revisions). Funds provided in this subsection
27 may be used solely for community juvenile accountability grants,
28 administration of the grants, and evaluations of programs funded by the
29 grants.

30 (4) \$2,544,000 of the violence reduction and drug enforcement
31 account appropriation is provided solely to implement alcohol and
32 substance abuse treatment programs for locally committed offenders.

33 (5) For the purposes of a pilot project, the juvenile
34 rehabilitation administration shall provide a block grant, rather than
35 categorical funding, for consolidated juvenile services, community
36 juvenile accountability act grants, the chemically dependent
37 disposition alternative, and the special sex offender disposition

1 alternative to the Pierce county juvenile court. To evaluate the
2 effect of decategorizing funding for youth services, the juvenile court
3 shall do the following:

4 (a) Develop intermediate client outcomes according to the risk
5 assessment tool (RAT) currently used by juvenile courts and in
6 coordination with the juvenile rehabilitation administration;

7 (b) Track the number of youth participating in each type of
8 service, intermediate outcomes, and the incidence of recidivism within
9 twenty-four months of completion of services;

10 (c) Track similar data as in (b) of this subsection with an
11 appropriate comparison group, selected in coordination with the
12 juvenile rehabilitation administration and the family policy council;

13 (d) Document the process for managing block grant funds on a
14 quarterly basis, and provide this report to the juvenile rehabilitation
15 administration and the family policy council; and

16 (e) Provide a process evaluation to the juvenile rehabilitation
17 administration and the family policy council by June 20, 2006, and a
18 concluding report by June 30, 2007. The court shall develop this
19 evaluation in consultation with the juvenile rehabilitation
20 administration, the family policy council, and the Washington state
21 institute for public policy.

22 (6) \$245,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$491,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided solely to reimburse counties for local
25 juvenile disposition alternatives implemented pursuant to Senate Bill
26 No. 5502 (juvenile sentencing) and Senate Bill No. 5719 (community
27 commitment). The juvenile rehabilitation administration, in
28 consultation with the juvenile court administrators, shall develop an
29 equitable distribution formula for the funding provided in this
30 subsection, and negotiate contracts that would avoid the cost of a
31 youth kept in the community costing more than serving the youth in a
32 juvenile rehabilitation institution and parole program on an average
33 daily population basis. The juvenile rehabilitation administration may
34 adjust the funding level provided in this subsection in the event that
35 utilization rates of the disposition alternatives are lower than the
36 level anticipated by the total appropriation to the juvenile
37 rehabilitation administration in this section. The juvenile
38 rehabilitation administration shall report to the appropriate policy

1 and fiscal committees of the legislature on the use of the disposition
2 alternatives and revocations by December 1, 2006. If either bill is
3 not enacted by June 30, 2005, the amounts provided in this subsection
4 shall lapse.

5 NEW SECTION. **Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
6 **SERVICES--MENTAL HEALTH PROGRAM**

7 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

8 General Fund--State Appropriation (FY 2006)	\$262,099,000
9 General Fund--State Appropriation (FY 2007)	\$271,948,000
10 General Fund--Federal Appropriation	\$336,768,000
11 General Fund--Private/Local Appropriation	\$1,970,000
12 TOTAL APPROPRIATION	\$872,785,000

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

15 (a) \$77,600,000 of the general fund--state appropriation for fiscal
16 year 2006 and \$77,600,000 of the general fund--state appropriation for
17 fiscal year 2007 are provided solely for persons and services not
18 covered by the medicaid program. The department shall distribute these
19 funds among the regional support networks according to a formula that,
20 consistent with RCW 74.24.035(13), assures continuation of previous
21 levels of service in each regional support network area for persons in
22 the following priority order: (i) Acutely mentally ill children and
23 adults, including crisis and commitment services and inpatient
24 treatment; (ii) chronically mentally ill adults and severely
25 emotionally disturbed children, including personal and residential
26 care; and (iii) seriously disturbed children and adults.

27 (b) From the general fund--state appropriations in this subsection,
28 the secretary of social and health services shall assure that regional
29 support networks reimburse the aging and disability services
30 administration for the general fund--state cost of medicaid personal
31 care services that enrolled regional support network consumers use
32 because of their psychiatric disability.

33 (c) Within funds appropriated in this subsection, the department
34 shall contract with the Clark county regional support network for
35 development and operation of a project demonstrating collaborative
36 methods for providing intensive mental health services in the school
37 setting for severely emotionally disturbed children who are medicaid

1 eligible. Project services are to be delivered by teachers and
2 teaching assistants who qualify as, or who are under the supervision
3 of, mental health professionals meeting the requirements of chapter
4 275-57 WAC. The department shall increase medicaid payments to the
5 regional support network by the amount necessary to cover the necessary
6 and allowable costs of the demonstration, not to exceed the upper
7 payment limit specified for the regional support network in the
8 department's medicaid waiver agreement with the federal government
9 after meeting all other medicaid spending requirements assumed in this
10 subsection. The regional support network shall provide the required
11 nonfederal share of the increased medicaid payment provided for
12 operation of this project.

13 (d) \$3,100,000 of the general fund--state appropriation for fiscal
14 year 2006 and \$3,375,000 of the general fund--state appropriation for
15 fiscal year 2007 are provided solely to establish a base community
16 psychiatric hospitalization payment rate of \$400 per indigent patient
17 day and \$550 per medicaid patient day at hospitals that accept
18 commitments under the involuntary treatment act. The department shall
19 allocate these funds among the regional support networks to reflect
20 projected expenditures at the enhanced payment level by hospital and
21 region.

22 (2) INSTITUTIONAL SERVICES

23	General Fund--State Appropriation (FY 2006)	\$101,637,000
24	General Fund--State Appropriation (FY 2007)	\$102,212,000
25	General Fund--Federal Appropriation	\$148,610,000
26	General Fund--Private/Local Appropriation	\$30,165,000
27	TOTAL APPROPRIATION	\$382,624,000

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

30 (a) The mental health program at Western state hospital shall
31 continue to use labor provided by the Tacoma prerelease program of the
32 department of corrections.

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

36 (c) \$3,950,000 of the general fund--state appropriation for fiscal
37 year 2006 and \$3,900,000 of the general fund--state appropriation for
38 fiscal year 2007 are provided solely to operate at least one more

1 forensic ward at western state hospital than was operational in
2 December 2005, and to employ professional staff in addition to those
3 assigned in December 2005 to conduct outpatient evaluations of
4 competency to stand trial.

5 (d) \$45,000 of the general fund--state appropriation for fiscal
6 year 2006 and \$45,000 of the general fund--state appropriation for
7 fiscal year 2007 are provided solely for payment to the city of
8 Lakewood on September 1 of each year for police services provided by
9 the city at western state hospital and adjacent areas.

10 (3) CIVIL COMMITMENT

11	General Fund--State Appropriation (FY 2006)	\$42,837,000
12	General Fund--State Appropriation (FY 2007)	\$45,383,000
13	TOTAL APPROPRIATION	\$88,220,000

14 (4) SPECIAL PROJECTS

15	General Fund--State Appropriation (FY 2006)	\$567,000
16	General Fund--State Appropriation (FY 2007)	\$915,000
17	General Fund--Federal Appropriation	\$3,167,000
18	TOTAL APPROPRIATION	\$4,649,000

19 The appropriations in this subsection are subject to the following
20 conditions and limitations: \$178,000 of the general fund--state
21 appropriation for fiscal year 2006 and \$221,000 of the general fund--
22 state appropriation for fiscal year 2007 are provided solely to develop
23 and to train community mental health staff in the use of the integrated
24 chemical dependency/mental health screening and assessment system and
25 tool required by Senate Bill No. 5763 (mental disorders treatment). If
26 Senate Bill No. 5763 is not enacted by June 30, 2005, these amounts
27 shall lapse.

28 (5) PROGRAM SUPPORT

29	General Fund--State Appropriation (FY 2006)	\$3,553,000
30	General Fund--State Appropriation (FY 2007)	\$3,431,000
31	General Fund--Federal Appropriation	\$6,529,000
32	TOTAL APPROPRIATION	\$13,513,000

33 The appropriations in this subsection are subject to the following
34 conditions and limitations: \$125,000 of the general fund--state
35 appropriation for fiscal year 2006, \$125,000 of the general fund--state
36 appropriation for fiscal year 2007, and \$164,000 of the general fund--
37 federal appropriation are provided solely for the institute for public

1 policy to continue the longitudinal analysis directed in chapter 334,
2 Laws of 2001 (mental health performance audit), and, to the extent
3 funds are available within these amounts, to build upon the evaluation
4 of the impacts of chapter 214, Laws of 1999 (mentally ill offenders).

5 NEW SECTION. **Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
6 **SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM**

7 (1) COMMUNITY SERVICES

8	General Fund--State Appropriation (FY 2006)	\$298,685,000
9	General Fund--State Appropriation (FY 2007)	\$311,177,000
10	General Fund--Federal Appropriation	\$503,915,000
11	Health Services Account--State Appropriation	\$904,000
12	TOTAL APPROPRIATION	\$1,114,681,000

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

15 (a) \$213,000 of the general fund--state appropriation for fiscal
16 year 2006, \$422,000 of the general fund--state appropriation for fiscal
17 year 2007, and \$600,000 of the general fund--federal appropriation are
18 provided solely to increase wages for workers employed by agency home
19 care providers. The amounts in this subsection also include the funds
20 needed for the employer share of unemployment and social security taxes
21 on the amount of the increase.

22 (b) The entire health services account appropriation and \$904,000
23 of the general fund--federal appropriation are provided solely for
24 health care benefits for agency home care workers who are employed
25 through state contracts for at least twenty hours a week. Home care
26 agencies may obtain coverage either through the basic health plan or
27 through an alternative plan that provides substantially equivalent
28 benefits.

29 (c) Any new funding for family support and high school transition
30 along with a portion of existing funding for these programs shall be
31 provided as supplemental security income (SSI) state supplemental
32 payments for persons with developmental disabilities in families with
33 taxable incomes at or below 150 percent of median family income.
34 Individuals receiving family support or high school transition payments
35 shall not become eligible for medical assistance under RCW 74.09.510
36 due solely to the receipt of SSI state supplemental payments.

1 (d) The department may transfer funding provided in this subsection
2 to meet the purposes of subsection (2) of this section to the extent
3 that fewer residents of residential habilitation centers choose to move
4 to community placements than was assumed in this appropriation.

5 (e) \$822,000 of the general fund--state appropriation for fiscal
6 year 2006, \$719,000 of the general fund--state appropriation for fiscal
7 year 2007, and \$1,540,000 of the general fund--federal appropriation
8 are provided solely for the purposes of settling all claims and meeting
9 the terms of the settlement agreement in the consolidated lawsuits,
10 *Boyle v. Braddock*, United States District Court Western District of
11 Washington at Tacoma, Cause No. C01-5687 FDB and *The Arc of Washington*
12 *v. Quasim, et al.*, United States District Court Western District of
13 Washington at Tacoma, Cause No. C-99-5577 FDB, covering waiver
14 services. The expenditure of these amounts is contingent on the
15 approval of the parties' settlement agreement by the federal district
16 court and the issuance of a court order staying all waiver claims in
17 both cases until at least April 1, 2008.

18 (f) \$549,000 of the general fund--state appropriation for fiscal
19 year 2006, \$1,593,000 of the general fund--state appropriation for
20 fiscal year 2007, and \$2,142,000 of the general fund--federal
21 appropriation are provided solely for community residential and support
22 services. Funding in this subsection shall be prioritized for (i)
23 residents of residential habilitation centers who are able to be
24 adequately cared for in community settings and who choose to live in
25 those community settings; (ii) clients without residential services who
26 are at immediate risk of institutionalization or in crisis; (iii)
27 children who are aging out of other state services; and (iv) current
28 home and community-based waiver program clients who have been assessed
29 as having an immediate need for increased services. The department
30 shall ensure that the average cost per day for all program services
31 other than start-up costs shall not exceed \$300. In order to maximize
32 the number of clients served and ensure the cost-effectiveness of the
33 waiver programs, the department will strive to limit new client
34 placement expenditures to 90 percent of the budgeted daily rate. If
35 this can be accomplished, additional clients may be served with excess
36 funds provided the total projected carry-forward expenditures do not
37 exceed the amounts estimated. The department shall electronically
38 report to the appropriate committees of the legislature, within 45 days

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

6 (g) \$356,000 of the general fund--state appropriation for fiscal
7 year 2006, \$1,012,000 of the general fund--state appropriation for
8 fiscal year 2007, and \$1,368,000 of the general fund--federal
9 appropriation are provided solely for expanded community services for
10 persons with developmental disabilities who also have community
11 protection issues. Funding in this subsection shall be prioritized for
12 (i) clients being diverted or discharged from the state psychiatric
13 hospitals; (ii) clients participating in the dangerous mentally ill
14 offender program; (iii) clients participating in the community
15 protection program; and (iv) mental health crisis diversion
16 outplacements. The department shall ensure that the average cost per
17 day for all program services other than start-up costs shall not exceed
18 \$300. In order to maximize the number of clients served and ensure the
19 cost-effectiveness of the waiver programs, the department will strive
20 to limit new client placement expenditures to 90 percent of the
21 budgeted daily rate. If this can be accomplished, additional clients
22 may be served with excess funds if the total projected carry-forward
23 expenditures do not exceed the amounts estimated. The department shall
24 implement the four new waiver programs such that decisions about
25 enrollment levels and the amount, duration, and scope of services
26 maintain expenditures within appropriations. The department shall
27 electronically report to the appropriate committees of the legislature,
28 within 45 days following each fiscal year quarter, the number of
29 persons served with these additional community services, where they
30 were residing, what kinds of services they were receiving prior to
31 placement, and the actual expenditures for all community services to
32 support these clients.

33 (h) \$698,000 of the general fund--state appropriation for fiscal
34 year 2006, \$1,537,000 of the general fund--state appropriation for
35 fiscal year 2007, and \$745,000 of the general fund--federal
36 appropriation are to be provided solely for employment and day
37 services. Priority consideration for this new funding shall be young
38 adults with developmental disabilities living with their family who

1 need employment opportunities and assistance after high school
2 graduation. Services shall be provided proportionately between waiver
3 and nonwaiver clients.

4 (i) The department shall provide a status report on the
5 implementation and operation of the four home and community-based
6 waivers. The department shall electronically report to the appropriate
7 committees of the legislature, within 45 days following each fiscal
8 year quarter through June 30, 2007, the following information for each
9 home and community-based waiver: Total projected state and federal
10 fiscal year expenditures, year-to-date actual expenditures compared to
11 projected expenditures, year-to-date unduplicated clients compared to
12 projected clients, actual average per capita costs compared to
13 projected per capita costs, number of transfers between waivers, amount
14 of emergency funds spent to date compared to projected emergency costs,
15 state and federal funds transferred from the medicaid personal care
16 program to the four home and community-based waiver programs, and the
17 year-to-date number of new clients added to a waiver program.

18 (j) \$1,000,000 of the general fund--state appropriation for fiscal
19 year 2006, \$1,000,000 of the general fund--state appropriation for
20 fiscal year 2007, and \$2,000,000 of the general fund--federal
21 appropriation are provided for implementation of the administrative
22 rate standardization. These amounts are in addition to any vendor rate
23 increase adopted by the legislature.

24 (2) INSTITUTIONAL SERVICES

25	General Fund--State Appropriation (FY 2006)	\$73,974,000
26	General Fund--State Appropriation (FY 2007)	\$73,569,000
27	General Fund--Federal Appropriation	\$145,996,000
28	General Fund--Private/Local Appropriation	\$11,992,000
29	TOTAL APPROPRIATION	\$305,531,000

30 (3) PROGRAM SUPPORT

31	General Fund--State Appropriation (FY 2006)	\$2,236,000
32	General Fund--State Appropriation (FY 2007)	\$1,556,000
33	General Fund--Federal Appropriation	\$2,062,000
34	TOTAL APPROPRIATION	\$5,854,000

35 The appropriations in this subsection are subject to the following
36 conditions and limitations: \$300,000 of the general fund--state
37 appropriation fiscal year 2006 is provided solely for the purposes of

1 meeting the terms of the settlement agreement in regards to the award
 2 of attorneys fees in the consolidated lawsuits, *Boyle v. Braddock*,
 3 United States District Court Western District of Washington at Tacoma,
 4 Cause No. C01-5687 FDB and *The Arc of Washington v. Quasim, et al.*,
 5 United States District Court Western District of Washington at Tacoma,
 6 Cause No. C-99-5577 FDB, covering waiver services. The expenditure of
 7 these amounts is contingent on the approval of the parties' settlement
 8 agreement by the federal district court and the issuance of a court
 9 order staying all waiver claims in both cases until at least April 1,
 10 2008. The total settlement costs shall not exceed the amount provided
 11 in this subsection.

12 (4) SPECIAL PROJECTS

13	General Fund--State Appropriation (FY 2006)	\$6,000
14	General Fund--State Appropriation (FY 2007)	\$2,000
15	General Fund--Federal Appropriation	\$16,597,000
16	TOTAL APPROPRIATION	\$16,605,000

17 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
 18 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

19	General Fund--State Appropriation (FY 2006)	\$603,658,000
20	General Fund--State Appropriation (FY 2007)	\$622,812,000
21	General Fund--Federal Appropriation	\$1,264,263,000
22	General Fund--Private/Local Appropriation	\$18,788,000
23	Health Services Account--State Appropriation	\$4,888,000
24	TOTAL APPROPRIATION	\$2,514,409,000

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

27 (1) The entire health services account appropriation, \$610,000 of
 28 the general fund--state appropriation for fiscal year 2006, \$610,000 of
 29 the general fund--state appropriation for fiscal year 2007, and
 30 \$5,552,000 of the general fund--federal appropriation are provided
 31 solely for health care benefits for agency home care workers who are
 32 employed through state contracts for at least twenty hours a week.
 33 Home care agencies may obtain coverage either through the basic health
 34 plan or through an alternative plan that provides substantially
 35 equivalent benefits.

36 (2) For purposes of implementing chapter 74.46 RCW, the weighted

1 average nursing facility payment rate shall not exceed \$149.03 for
2 fiscal year 2006 and shall not exceed \$153.83 for fiscal year 2007.

3 (3) In accordance with chapter 74.46 RCW, the department shall
4 issue certificates of capital authorization that result in up to \$16
5 million of increased asset value completed and ready for occupancy in
6 fiscal year 2006; up to \$16 million of increased asset value completed
7 and ready for occupancy in fiscal year 2007; and up to \$16 million of
8 increased asset value completed and ready for occupancy in fiscal year
9 2008.

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

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

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

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

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

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

30 (6) \$1,413,000 of the general fund--state appropriation for fiscal
31 year 2006, \$2,887,000 of the general fund--state appropriation for
32 fiscal year 2007, and \$4,305,000 of the general fund--federal
33 appropriation are provided solely to increase compensation for workers
34 employed by agency home care providers. The amounts in this subsection
35 also include the funds needed for the employer share of unemployment
36 and social security taxes on the amount of the increase.

37 (7) \$1,786,000 of the general fund--state appropriation for fiscal

1 year 2006 and \$1,814,000 of the general fund--state appropriation for
2 fiscal year 2007 are provided solely for operation of the volunteer
3 chore services program.

4 (8) The department shall establish waiting lists to the extent
5 necessary to assure that annual expenditures on the community options
6 program entry systems (COPES) program do not exceed appropriated
7 levels. In establishing and managing any such waiting list, the
8 department shall assure priority access to persons with the greatest
9 unmet needs, as determined by department assessment processes.

10 (9) \$550,000 of the general fund--state appropriation for fiscal
11 year 2006, \$150,000 of the general fund--state appropriation for fiscal
12 year 2007, and \$125,000 of the general fund--federal appropriation are
13 provided solely for a pilot project under which the long-term care
14 program will partner with a mental health regional support network to
15 provide integrated care through a nursing home-licensed facility that
16 specializes in caring for people with chronic mental illness. Under
17 the partnership, the regional support network shall provide funding for
18 basic residential care and supervision, and pilot project funds shall
19 pay for nursing and other specialized services.

20 (10) \$250,000 of the general fund--state appropriation for fiscal
21 year 2006 and \$250,000 of the general fund--state appropriation for
22 fiscal year 2007 are provided solely for the senior farmer's market
23 nutrition program.

24 NEW SECTION. **Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
25 **SERVICES--ECONOMIC SERVICES PROGRAM**

26	General Fund--State Appropriation (FY 2006)	\$477,660,000
27	General Fund--State Appropriation (FY 2007)	\$487,401,000
28	General Fund--Federal Appropriation	\$1,238,360,000
29	General Fund--Private/Local Appropriation	\$31,466,000
30	TOTAL APPROPRIATION	\$2,234,887,000

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

33 (1) \$273,333,000 of the general fund--state appropriation for
34 fiscal year 2006, \$273,333,000 of the general fund--state appropriation
35 for fiscal year 2007, and \$1,020,292,000 of the general fund--federal
36 appropriation are provided solely for all components of the WorkFirst

1 program. Within the amounts provided for the WorkFirst program, the
2 department shall:

3 (a) Continue to implement WorkFirst program improvements that are
4 designed to achieve progress against outcome measures specified in RCW
5 74.08A.410. Valid outcome measures of job retention and wage
6 progression shall be developed and reported quarterly to appropriate
7 fiscal and policy committees of the legislature for families who leave
8 assistance, measured after 12 months, 24 months, and 36 months. The
9 department shall also report the percentage of families who have
10 returned to temporary assistance for needy families after 12 months, 24
11 months, and 36 months; and

12 (b) Submit a report by October 1, 2005, to the fiscal committees of
13 the legislature containing a spending plan for the WorkFirst program.
14 The plan shall identify how spending levels in the 2005-2007 biennium
15 will be adjusted to stay within available federal grant levels and the
16 appropriated state-fund levels.

17 (2) \$75,833,000 of the general fund--state appropriation for fiscal
18 year 2006 and \$74,358,000 of the general fund--state appropriation for
19 fiscal year 2007 are provided solely for cash assistance and other
20 services to recipients in the general assistance--unemployable program.
21 Within these amounts, the department may expend funds for services that
22 assist recipients to reduce their dependence on public assistance,
23 provided that expenditures for these services and cash assistance do
24 not exceed the funds provided.

25 (3) \$5,000,000 of the general fund--state appropriation for fiscal
26 year 2006 and \$10,000,000 of the general fund--state appropriation for
27 fiscal year 2007 are provided solely for a subsidy rate increase for
28 child care providers. Of this amount, \$500,000 per year shall be
29 targeted for child care providers in urban areas of region 1.

30 (4) \$277,000 of the general fund--state appropriation for fiscal
31 year 2006 and \$250,000 of the general fund--state appropriation for
32 fiscal year 2007 are provided solely for school readiness assistance
33 activities.

34 (5)(a) \$1,000,000 of the general fund--state appropriation for
35 fiscal year 2006, and \$1,000,000 of the general fund--state
36 appropriation for fiscal year 2007 are provided solely to implement a
37 child care career and wage ladder program. The child care career and
38 wage ladder shall provide increased wages for child care workers based

1 on their work experience, level of responsibility, and education. To
 2 the extent practicable within available funds, the program shall be
 3 modeled after the child care career and wage ladder program in place
 4 from 2000 to 2003. Licensed child care centers may be eligible only if
 5 they meet the following criteria: (i) At least ten percent of child
 6 care slots are dedicated to children whose care is subsidized by the
 7 state, local government, or any political subdivision; (ii) they agree
 8 to adopt the child care career and wage ladder, which, at a minimum,
 9 shall be at the same pay schedule as existed in the previous child care
 10 career and wage ladder pilot project; and (iii) they meet further
 11 program standards as established by rule. Since available funds may
 12 not be sufficient to allow all qualifying child care centers to
 13 participate, the department shall develop a system for prioritizing
 14 child care centers interested in adopting the child care career and
 15 wage ladder.

16 (b) Child care centers meeting the criteria established in this
 17 subsection (5) that are located in the urban areas of the department of
 18 social and health services region one shall receive a minimum of
 19 fifteen percent of funds allocated through the child care career and
 20 wage ladder, and of these centers, child care centers that are
 21 participating in the department's Spokane tiered reimbursement pilot
 22 project shall have first priority for child care career and wage ladder
 23 funding.

24 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
 25 **SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

26	General Fund--State Appropriation (FY 2006)	\$54,546,000
27	General Fund--State Appropriation (FY 2007)	\$69,114,000
28	General Fund--Federal Appropriation	\$111,385,000
29	General Fund--Private/Local Appropriation	\$626,000
30	Criminal Justice Treatment Account--State Appropriation .	\$16,500,000
31	Violence Reduction and Drug Enforcement Account--State	
32	Appropriation	\$48,988,000
33	Problem Gambling Treatment Account--State Appropriation . .	\$1,500,000
34	Public Safety and Education Account--State	
35	Appropriation	\$2,080,000
36	TOTAL APPROPRIATION	\$304,739,000

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

3 (1) \$966,000 of the general fund--state appropriation for fiscal
4 year 2006 and \$966,000 of the general fund--state appropriation for
5 fiscal year 2007 are provided solely for the parent child assistance
6 program. The department shall contract with the University of
7 Washington and community-based providers in Spokane and Yakima for the
8 provision of this program. For all contractors, indirect charges for
9 administering the program shall not exceed ten percent of the total
10 contract amount.

11 (2) The department shall expand services in southwestern Washington
12 to pregnant and parenting women, including additional residential
13 capacity and expanding the parent-child assistance program.

14 (3) \$10,391,000 of the general fund--state appropriation for fiscal
15 year 2006, \$19,991,000 of the general fund--state appropriation for
16 fiscal year 2007, and \$16,017,000 of the general fund--federal
17 appropriation are provided solely for expansion of chemical dependency
18 treatment to medicaid-eligible adults and youth under 200 percent of
19 federal poverty level, as required by Senate Bill No. 5763 (mental
20 disorders treatment). If Senate Bill No. 5763 is not enacted by June
21 30, 2005, the amounts provided in this subsection shall lapse.

22 (4) \$2,160,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$4,522,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided solely for pilot programs as required by
25 Senate Bill No. 5763 (mental disorders treatment). If Senate Bill No.
26 5763 is not enacted by June 30, 2005, the amounts provided in this
27 subsection shall lapse.

28 (5) \$159,000 of the general fund--state appropriation for fiscal
29 year 2006, \$140,000 of the general fund--state appropriation for fiscal
30 year 2007, and \$161,000 of the general fund--federal appropriation are
31 provided solely for development of the integrated chemical
32 dependency/mental health screening and assessment tool required by
33 Senate Bill No. 5763 (mental disorders treatment), and associated
34 training and quality assurance. If Senate Bill No. 5763 is not enacted
35 by June 30, 2005, the amounts provided in this subsection shall lapse.

36 (6) \$465,000 of the general fund--state appropriation for fiscal
37 year 2006, \$1,224,000 of the general fund--state appropriation for
38 fiscal year 2007, \$1,592,000 of the general fund--federal

1 appropriation, and \$846,000 of the violence reduction and drug
2 enforcement account appropriation are provided solely for vendor rate
3 adjustments for residential treatment providers. To the extent that a
4 portion of this funding is sufficient to maintain sufficient
5 residential treatment capacity, remaining amounts may then be used to
6 provide vendor rate adjustments to other types of providers as
7 prioritized by the department in order to maintain or increase
8 treatment capacity.

9 (7) \$2,000,000 of the general fund--state appropriation for fiscal
10 year 2007 is provided solely for vendor rate adjustments for
11 residential treatment providers to expand capacity for chemical
12 dependency services as required under Senate Bill No. 5763 (mental
13 disorders treatment). If Senate Bill No. 5763 is not enacted by June
14 30, 2005, the amount provided in this subsection shall lapse.

15 (8) \$1,500,000 of the problem gambling treatment account
16 appropriation is provided solely for the program established in RCW
17 43.20A.890. If legislation creating the account is not enacted by June
18 30, 2005, the amount provided in this subsection shall lapse.

19 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
20 **SERVICES--MEDICAL ASSISTANCE PROGRAM**

21	General Fund--State Appropriation (FY 2006)	\$1,474,131,000
22	General Fund--State Appropriation (FY 2007)	\$1,585,376,000
23	General Fund--Federal Appropriation	\$4,022,745,000
24	General Fund--Private/Local Appropriation	\$2,000,000
25	Emergency Medical Services and Trauma Care Systems	
26	Trust Account--State Appropriation	\$15,000,000
27	Health Services Account--State Appropriation	\$639,715,000
28	TOTAL APPROPRIATION	\$7,738,967,000

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

31 (1) In accordance with RCW 74.46.625, \$6,000,000 of the general
32 fund--federal appropriation is provided solely for supplemental
33 payments to nursing homes operated by public hospital districts. The
34 public hospital district shall be responsible for providing the
35 required nonfederal match for the supplemental payment, and the
36 payments shall not exceed the maximum allowable under federal rules.
37 It is the legislature's intent that the payments shall be supplemental

1 to and shall not in any way offset or reduce the payments calculated
2 and provided in accordance with part E of chapter 74.46 RCW. It is the
3 legislature's further intent that costs otherwise allowable for rate-
4 setting and settlement against payments under chapter 74.46 RCW shall
5 not be disallowed solely because such costs have been paid by revenues
6 retained by the nursing home from these supplemental payments.

7 (2) \$1,660,000 of the health services account appropriation,
8 \$4,361,000 of the general fund--federal appropriation, \$1,350,000 of
9 the general fund--state appropriation for fiscal year 2006, and
10 \$1,351,000 of the general fund--state appropriation for fiscal year
11 2007 are provided solely for grants to rural hospitals. The department
12 shall distribute the funds under a formula that provides a relatively
13 larger share of the available funding to hospitals that (a) serve a
14 disproportionate share of low-income and medically indigent patients
15 and (b) have relatively smaller net financial margins, to the extent
16 allowed by the federal medicaid program.

17 (3) \$22,081,000 of the health services account appropriation and
18 \$20,714,000 of the general fund--federal appropriation are provided
19 solely for grants to nonrural hospitals. The department shall
20 distribute the funds under a formula that provides a relatively larger
21 share of the available funding to hospitals that (a) serve a
22 disproportionate share of low-income and medically indigent patients
23 and (b) have relatively smaller net financial margins, to the extent
24 allowed by the federal medicaid program.

25 (4) In response to the federal directive to eliminate
26 intergovernmental transfer transactions effective June 30, 2005, the
27 department is directed to implement the inpatient hospital certified
28 public expenditures program for the 2005-07 biennium. The program
29 shall apply to all public hospitals, including those owned or operated
30 by the state, except those classified as critical access hospitals.
31 Hospitals in the program shall be paid and shall retain (a) one hundred
32 percent of the federal portion of each medicaid inpatient fee-for-
33 service claim payable by the medical assistance administration; and (b)
34 one hundred percent of the federal portion of the maximum
35 disproportionate share hospital payment allowable under federal
36 regulations. Medicaid fee-for-service claim amounts shall be
37 established by applying the department's ratio of costs to charges
38 payment methodology. The department shall provide participating

1 hospitals with the information needed by the hospital to certify the
2 public expenditures required to qualify for the federal portions of
3 both the medicaid inpatient fee-for-service payments and the
4 disproportionate share hospital payments. The legislature intends that
5 hospitals in the program receive no less in combined state and federal
6 payments than they would have received under the methodology that was
7 in place during fiscal year 2005. The department shall therefore make
8 additional grant payments, not to exceed the amounts provided in this
9 subsection, to hospitals whose total payments under the program would
10 otherwise be less than the total state and federal payments they would
11 have received under the methodology in effect during fiscal year 2005.
12 \$37,034,000 of the general fund--state appropriation for fiscal year
13 2006, \$37,552,000 of the general fund--state appropriation for fiscal
14 year 2007, \$8,300,000 of the emergency medical services and trauma care
15 systems trust account--state appropriation, and \$45,450,000 of the
16 general fund--federal appropriation are provided solely for new state
17 grant and upper payment limit programs for the participating hospitals.

18 (5) \$3,972,000 of the general fund--state appropriation for fiscal
19 year 2006, \$3,990,000 of the general fund--state appropriation for
20 fiscal year 2007, and \$63,279,000 of the general fund--federal
21 appropriation are provided solely for development and implementation of
22 a replacement system for the existing medicaid management information
23 system.

24 (6) \$150,000 of the general fund--state appropriation for fiscal
25 year 2006, \$75,000 of the general fund--state appropriation for fiscal
26 year 2007, and \$225,000 of the general fund--federal appropriation are
27 provided solely for the department to contract for an independent
28 analysis of the medical assistance administration's current system for
29 establishing hospital inpatient payment rates, and for recommendations
30 on a new or updated system. The department shall submit an interim
31 report of study findings by December 1, 2005, and a final report by
32 November 15, 2006. The interim report shall include a comparison of
33 the strengths and weaknesses of the current rate-setting system
34 relative to those used by other state, federal, and private payers.
35 The final report shall include recommendations on the design and
36 implementation of a new or updated system that will promote equity
37 among hospitals, access to quality care for patients, and cost-control
38 and efficiency for taxpayers. The study should make use of complete

1 and current cost data from a wide variety of hospitals, recognize
2 unique aspects of hospital service delivery structures and medicaid
3 payment systems in Washington, and provide opportunities for comment
4 and participation by key interest groups in the identification and
5 assessment of alternatives.

6 (7) Payment rates for hospital inpatient and outpatient services
7 shall be increased by an average of 1.2 percent effective September 1,
8 2005, and by an average of an additional 1.7 percent effective
9 September 1, 2006. The increases shall be provided only on the portion
10 of a hospital's rate that excludes medical education and outlier costs,
11 and shall be allocated so that hospitals with lower costs of care
12 (excluding medical education and outlier costs) receive larger
13 percentage increases than those with higher costs of care. The
14 increases shall be allocated in three percentage increments, with the
15 lowest-cost hospitals receiving the largest percentage rate increase,
16 highest-cost hospitals receiving the smallest percentage increase, and
17 medium-cost hospitals receiving the average of the highest and the
18 lowest percentage rate increase. Increases shall not be provided to
19 those hospitals that are certified as critical access. Sufficient
20 funds are appropriated in this section for Healthy Options contractors
21 to increase hospital payment rates commensurate with the increases in
22 fee-for-service payment rates.

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

27 (9) The medical assistance program may use funds appropriated in
28 this section to purchase medical equipment and supplies through third-
29 party purchasing groups when it is cost-effective to do so.

30 (10) The legislature affirms that it is in the state's interest for
31 Harborview medical center to remain an economically viable component of
32 the state's health care system.

33 (11) By October 1, 2005, the department shall recommend to the
34 governor and legislature at least two pilot project designs which seem
35 likely to reduce avoidable emergency room utilization at no net cost to
36 the state within the projects' first eighteen months of operation.

1 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

2 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

3	General Fund--State Appropriation (FY 2006)	\$11,110,000
4	General Fund--State Appropriation (FY 2007)	\$11,432,000
5	General Fund--Federal Appropriation	\$87,051,000
6	General Fund--Private/Local Appropriation	\$440,000
7	Telecommunications Devices for the Hearing and	
8	Speech Impaired--State Appropriation	\$1,786,000
9	TOTAL APPROPRIATION	\$111,819,000

10 The appropriations in this section are subject to the following
11 conditions and limitations: The division of vocational rehabilitation
12 shall maintain support for existing clubhouse programs at the 2003-2005
13 level.

14 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

15 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

16	General Fund--State Appropriation (FY 2006)	\$31,356,000
17	General Fund--State Appropriation (FY 2007)	\$27,922,000
18	General Fund--Federal Appropriation	\$50,785,000
19	General Fund--Private/Local Appropriation	\$810,000
20	Public Safety and Education Account--State	
21	Appropriation	\$2,452,000
22	Violence Reduction and Drug Enforcement Account--State	
23	Appropriation	\$2,358,000
24	TOTAL APPROPRIATION	\$115,683,000

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

27 (1) \$300,000 of the general fund--state appropriation for fiscal
28 year 2006 and \$300,000 of the general fund--state appropriation for
29 fiscal year 2007 are provided solely for funding of the teamchild
30 project through the governor's juvenile justice advisory committee.

31 (2) \$2,452,000 of the public safety and education account--state
32 appropriation and \$2,358,000 of the violence reduction and drug
33 enforcement account--state appropriation are provided solely for the
34 family policy council.

35 (3) \$3,195,000 of the general fund--state appropriation for fiscal
36 year 2006, \$639,000 of the general fund--state appropriation for fiscal

1 year 2007, and \$3,833,000 of the general--fund federal appropriation
2 are provided solely to implement the 2005-07 homecare worker collective
3 bargaining agreement.

4 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

6	General Fund--State Appropriation (FY 2006)	\$46,381,000
7	General Fund--State Appropriation (FY 2007)	\$46,380,000
8	General Fund--Federal Appropriation	\$45,103,000
9	TOTAL APPROPRIATION	\$137,864,000

10 NEW SECTION. **Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY**

11	General Fund--Federal Appropriation	\$2,723,000
12	State Health Care Authority Administrative Account--	
13	State Appropriation	\$21,756,000
14	Medical Aid Account--State Appropriation	\$171,000
15	Health Services Account--State Appropriation	\$459,376,000
16	TOTAL APPROPRIATION	\$484,026,000

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

19 (1) Within funds appropriated in this section and sections 205 and
20 206 of this act, the health care authority shall continue to provide an
21 enhanced basic health plan subsidy for foster parents licensed under
22 chapter 74.15 RCW and workers in state-funded home care programs.
23 Under this enhanced subsidy option, foster parents and home care
24 workers with family incomes below 200 percent of the federal poverty
25 level shall be allowed to enroll in the basic health plan at the
26 minimum premium amount charged to enrollees with incomes below sixty-
27 five percent of the federal poverty level.

28 (2) The health care authority shall require organizations and
29 individuals which are paid to deliver basic health plan services and
30 which choose to sponsor enrollment in the subsidized basic health plan
31 to pay 133 percent of the premium amount which would otherwise be due
32 from the sponsored enrollees.

33 (3) The administrator shall take at least the following actions to
34 assure that persons participating in the basic health plan are eligible
35 for the level of assistance they receive: (a) Require submission of
36 (i) income tax returns, and recent pay history, from all applicants, or

1 (ii) other verifiable evidence of earned and unearned income from those
2 persons not required to file income tax returns; (b) check employment
3 security payroll records at least once every twelve months on all
4 enrollees; (c) require enrollees whose income as indicated by payroll
5 records exceeds that upon which their subsidy is based to document
6 their current income as a condition of continued eligibility; (d)
7 require enrollees for whom employment security payroll records cannot
8 be obtained to document their current income at least once every six
9 months; (e) not reduce gross family income for self-employed persons by
10 noncash-flow expenses such as, but not limited to, depreciation,
11 amortization, and home office deductions, as defined by the United
12 States internal revenue service; and (f) pursue repayment and civil
13 penalties from persons who have received excessive subsidies, as
14 provided in RCW 70.47.060(9).

15 (4) \$24,108,000 of the health services account--state appropriation
16 is provided solely for funding for health care services provided
17 through local community clinics.

18 (5) \$316,000 of the health services account appropriation is
19 provided solely for implementation of Senate Bill No. 5064 (electronic
20 medical records). If Senate Bill No. 5064 is not enacted by June 30,
21 2005, the amount provided in this subsection shall lapse.

22 (6) \$391,000 of the health services account appropriation is
23 provided solely for implementation of Senate Bill No. 5471 (drug
24 purchasing consortium). If Senate Bill No. 5471 is not enacted by June
25 30, 2005, the amount provided in this subsection shall lapse.

26 NEW SECTION. **Sec. 214. FOR THE HUMAN RIGHTS COMMISSION**

27	General Fund--State Appropriation (FY 2006)	\$2,484,000
28	General Fund--State Appropriation (FY 2007)	\$2,457,000
29	General Fund--Federal Appropriation	\$1,872,000
30	TOTAL APPROPRIATION	\$6,813,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: The commission shall submit a report by
33 December 1st of each year to the office of financial management and the
34 legislative fiscal committees detailing any changes in existing federal
35 revenues for the remainder of the current fiscal year and changes in
36 projections of federal revenue for the upcoming fiscal year.

1 NEW SECTION. **Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE**

2 **APPEALS**

3 Worker and Community Right-to-Know Account--State

4 Appropriation \$20,000

5 Accident Account--State Appropriation \$17,135,000

6 Medical Aid Account--State Appropriation \$17,134,000

7 TOTAL APPROPRIATION \$34,289,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: \$1,240,000 of accident account--state
10 appropriation and \$1,240,000 of medical aid account--state
11 appropriation are provided solely to implement Substitute Senate Bill
12 No. 5789 (expanding the role of self-insurers in the workers'
13 compensation system). If the bill is not enacted by June 30, 2005, the
14 amounts provided shall lapse.

15 NEW SECTION. **Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING**

16 **COMMISSION**

17 Public Safety and Education Account--State

18 Appropriation \$18,433,000

19 Death Investigations Account--State Appropriation \$148,000

20 Municipal Criminal Justice Assistance Account--

21 Private/Local Appropriation \$460,000

22 Public Benefit Account--State Appropriation \$150,000

23 TOTAL APPROPRIATION \$19,191,000

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

26 (1) \$150,000 of the public benefit account--state appropriation is
27 provided solely to expand training for prosecuting attorneys. If
28 Senate Bill No. 5287 (social card games) is not enacted by June 30,
29 2005, then the amount provided in this subsection shall lapse.

30 (2) During the 2005-2007 biennium, the criminal justice training
31 commission is authorized to raise existing fees charged for firearms
32 certification for bail bond recovery agents in excess of the fiscal
33 growth factor established by Initiative Measure No. 601, if necessary,
34 to meet the actual costs of conducting the certification program and
35 the appropriation levels in this section.

36 (3) \$250,000 of the public safety and education account

1 appropriation is provided solely for the Washington association of
 2 sheriffs and police chiefs to experiment with the use of cognitive
 3 recognition technologies in law enforcement and pretrial environments.

4 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**
 5 **INDUSTRIES**

6	General Fund--State Appropriation (FY 2006)	\$8,898,000
7	General Fund--State Appropriation (FY 2007)	\$8,814,000
8	Public Safety and Education Account--State	
9	Appropriation	\$23,503,000
10	Public Safety and Education Account--Federal	
11	Appropriation	\$10,000,000
12	Asbestos Account--State Appropriation	\$782,000
13	Electrical License Account--State Appropriation	\$32,183,000
14	Farm Labor Revolving Account--Private/Local	
15	Appropriation	\$28,000
16	Worker and Community Right-to-Know Account--State	
17	Appropriation	\$1,732,000
18	Public Works Administration Account--State	
19	Appropriation	\$2,571,000
20	Family Leave Account--State Appropriation	\$15,107,000
21	Accident Account--State Appropriation	\$199,312,000
22	Accident Account--Federal Appropriation	\$13,616,000
23	Medical Aid Account--State Appropriation	\$197,918,000
24	Medical Aid Account--Federal Appropriation	\$3,180,000
25	Plumbing Certificate Account--State Appropriation	\$1,560,000
26	Pressure Systems Safety Account--State Appropriation	\$3,089,000
27	TOTAL APPROPRIATION	\$522,293,000

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

30 (1) The department shall delay the costs associated with
 31 implementation of phase II of its indirect cost allocation plan for the
 32 public works administration account until July 1, 2007.

33 (2) \$700,000 of accident account--state appropriation and \$699,000
 34 of medical aid account--state appropriation are provided solely to
 35 implement Substitute Senate Bill No. 5237 (mandatory electronic data
 36 reporting for workers' compensation self-insurers). If the bill is not

1 enacted by June 30, 2005, the amounts provided in this subsection shall
2 lapse.

3 (3) \$15,107,000 of family leave account--state appropriation is
4 provided solely to implement Engrossed Second Substitute Senate Bill
5 No. 5069 (family leave insurance). If the bill is not enacted by June
6 30, 2005, the amount provided in this subsection shall lapse.

7 (4) \$114,000 of the general fund--state appropriation for fiscal
8 year 2006 and \$88,000 of the general fund--state appropriation for
9 fiscal year 2007 are provided solely to implement Engrossed Second
10 Substitute Senate Bill No. 5773 (homeowner protections). If the bill
11 is not enacted by June 30, 2005, the amounts provided in this
12 subsection shall lapse.

13 (5) \$48,000 of electrical license account--state appropriation is
14 provided solely to implement Senate Bill No. 5307 (amusement rides).
15 If the bill is not enacted by June 30, 2005, the amount provided in
16 this subsection shall lapse.

17 (6) \$158,000 of accident account--state appropriation and \$158,000
18 of medical aid account--state appropriation are provided solely to
19 implement Substitute Senate Bill No. 5614 (annual audits of the state
20 industrial insurance fund). If the bill is not enacted by June 30,
21 2005, the amounts provided in this subsection shall lapse.

22 (7) \$12,000 of accident account--state appropriation and \$12,000 of
23 medical aid account--state appropriation are provided solely to
24 implement Substitute Senate Bill No. 5992 (modifying self-insurer
25 assessments under the second injury fund). If the bill is not enacted
26 by June 30, 2005, the amounts provided in this subsection shall lapse.

27 (8) \$1,664,000 of the general fund--state appropriation for fiscal
28 year 2006, \$1,665,000 of the general fund--state appropriation for
29 fiscal year 2007, \$23,502,000 of the public safety and education
30 account--state appropriation, and \$10,000,000 of the public safety and
31 education account--federal appropriation are provided solely for the
32 crime victims' compensation program, subject to the following
33 conditions:

34 (a) Reimbursement shall be provided throughout the 2005-2007
35 biennium for full reimbursement of sexual assault forensic exams at
36 workers' compensation rates; and

37 (b) In accordance with RCW 7.68.015, it is the policy of the state

1 that the department of labor and industries operate the crime victims'
2 compensation program within the amounts provided for this program in
3 this subsection.

4 NEW SECTION. **Sec. 218. FOR THE INDETERMINATE SENTENCE REVIEW**
5 **BOARD**

6	General Fund--State Appropriation (FY 2006)	\$1,060,000
7	General Fund--State Appropriation (FY 2007)	\$1,055,000
8	TOTAL APPROPRIATION	\$2,115,000

9 NEW SECTION. **Sec. 219. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

10 (1) HEADQUARTERS

11	General Fund--State Appropriation (FY 2006)	\$1,873,000
12	General Fund--State Appropriation (FY 2007)	\$1,807,000
13	Charitable, Educational, Penal, and Reformatory	
14	Institutions Account--State Appropriation	\$10,000
15	TOTAL APPROPRIATION	\$3,690,000

16 The appropriations in this subsection are subject to the following
17 conditions and limitations: \$70,000 of the general fund--state
18 appropriation for fiscal year 2006 and \$70,000 of the general fund--
19 state appropriation for fiscal year 2007 are provided solely for
20 implementation of Senate Bill No. 5539 (veterans conservation corps).
21 If Senate Bill No. 5539 is not enacted by June 30, 2005, these amounts
22 shall lapse.

23 (2) FIELD SERVICES

24	General Fund--State Appropriation (FY 2006)	\$2,750,000
25	General Fund--State Appropriation (FY 2007)	\$2,730,000
26	General Fund--Federal Appropriation	\$318,000
27	General Fund--Private/Local Appropriation	\$1,943,000
28	TOTAL APPROPRIATION	\$7,741,000

29 (3) INSTITUTIONAL SERVICES

30	General Fund--State Appropriation (FY 2006)	\$7,210,000
31	General Fund--State Appropriation (FY 2007)	\$6,435,000
32	General Fund--Federal Appropriation	\$31,799,000
33	General Fund--Private/Local Appropriation	\$26,454,000
34	TOTAL APPROPRIATION	\$71,898,000

1 NEW SECTION. **Sec. 220. FOR THE HOME CARE QUALITY AUTHORITY**

2	General Fund--State Appropriation (FY 2006)	\$1,408,000
3	General Fund--State Appropriation (FY 2007)	\$1,576,000
4	General Fund--Federal Appropriation	\$1,034,000
5	TOTAL APPROPRIATION	\$4,018,000

6 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF HEALTH**

7	General Fund--State Appropriation (FY 2006)	\$63,142,000
8	General Fund--State Appropriation (FY 2007)	\$62,741,000
9	General Fund--Federal Appropriation	\$452,484,000
10	General Fund--Private/Local Appropriation	\$98,661,000
11	Hospital Commission Account--State Appropriation	\$2,553,000
12	Health Professions Account--State Appropriation	\$46,644,000
13	Aquatic Lands Enhancement Account--State	
14	Appropriation	\$600,000
15	Emergency Medical Services and Trauma Care Systems	
16	Trust Account--State Appropriation	\$12,567,000
17	Safe Drinking Water Account--State Appropriation	\$2,838,000
18	Drinking Water Assistance Account--Federal	
19	Appropriation	\$15,969,000
20	Waterworks Operator Certification--State Appropriation	\$1,083,000
21	Drinking Water Assistance Administrative Account--	
22	State Appropriation	\$326,000
23	Water Quality Account--State Appropriation	\$3,502,000
24	State Toxics Control Account--State Appropriation	\$2,756,000
25	Medical Test Site Licensure Account--State	
26	Appropriation	\$1,752,000
27	Youth Tobacco Prevention Account--State Appropriation	\$1,806,000
28	Public Health Supplemental Account--Private/Local	
29	Appropriation	\$3,306,000
30	Accident Account--State Appropriation	\$266,000
31	Medical Aid Account--State Appropriation	\$46,000
32	Health Services Account--State Appropriation	\$37,915,000
33	Tobacco Prevention and Control Account--State	
34	Appropriation	\$52,621,000
35	Public Benefit Account--State Appropriation	\$1,000,000
36	TOTAL APPROPRIATION	\$864,578,000

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

3 (1) The department or any successor agency is authorized to raise
4 existing fees charged for the clandestine drug lab program, the
5 drinking water program, radioactive materials license fees, X-ray
6 facility registration fees, shellfish commercial paralytic shellfish
7 poisoning fees, the water recreation program, the wastewater management
8 program, and the midwifery program, in excess of the fiscal growth
9 factor established by Initiative Measure No. 601, if necessary, to meet
10 the actual costs of conducting business and the appropriation levels in
11 this section.

12 (2) \$1,713,000 of the general fund--state fiscal year 2006
13 appropriation, \$1,713,000 of the general fund--state fiscal year 2007
14 appropriation, and \$676,000 of the general fund--local appropriation
15 are provided solely for the implementation of the Puget Sound
16 conservation and recovery plan and agency action items, DOH-01, DOH-02,
17 DOH-03, and DOH-04.

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

34 (4) \$383,000 of the general fund--state appropriation for fiscal
35 year 2006, \$317,000 of the general fund--state appropriation for fiscal
36 year 2007, and \$676,000 of the general fund--private/local
37 appropriation are provided solely to assist counties in marine areas

1 complete on-site sewage system management plans and electronic data
2 bases to inventory on-site sewage systems.

3 (5) \$200,000 of the health professions account appropriation is
4 provided solely for a grant to the central nursing resource center
5 established pursuant to Senate Bill No. 5599 (nursing resource center),
6 including reasonable department costs for administration of the grant.
7 The amount provided in this subsection shall be from that portion of
8 the health professions account attributable to the nursing licensing
9 program under chapter 18.79 RCW. The grant shall be awarded by
10 September 1, 2005, to a not-for-profit central nursing resource center.
11 The center awarded the grant must meet the criteria specified in Senate
12 Bill No. 5599, and the grant must be used for the purposes specified
13 therein. If Senate Bill No. 5599 is not enacted by June 30, 2005, the
14 amount provided in this subsection shall lapse.

15 (6) \$79,000 of the general fund--state appropriation for fiscal
16 year 2006 and \$79,000 of the general fund--state appropriation for
17 fiscal year 2007 are provided solely to enhance the department's
18 capacity to identify and track the incidence and costs of hepatitis C
19 infection.

20 (7) \$25,000 of the general fund--state appropriation for fiscal
21 year 2006 is provided solely to develop and implement best practices in
22 preventative health care for children. The department and the kids get
23 care program of public health - Seattle and King county will work in
24 collaboration with local health care agencies to disseminate strategic
25 interventions that are focused on evidence-based best practices for
26 improving health outcomes in children and saving health-care costs.

27 (8) \$1,000,000 of the public benefit account appropriation is
28 provided solely to expand the breast and cervical cancer screening
29 program. If Senate Bill No. 5287 (taxation of social card rooms) is
30 not enacted by June 30, 2005, the amount provided in this subsection
31 shall lapse.

32 **NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF CORRECTIONS**

33 (1) ADMINISTRATION AND SUPPORT SERVICES

34	General Fund--State Appropriation (FY 2006)	\$38,271,000
35	General Fund--State Appropriation (FY 2007)	\$38,077,000
36	Violence Reduction and Drug Enforcement Account--	
37	State Appropriation	\$26,000

1	Public Safety and Education Account--State	
2	Appropriation	\$2,656,000
3	TOTAL APPROPRIATION	\$79,030,000
4	(2) CORRECTIONAL OPERATIONS	
5	General Fund--State Appropriation (FY 2006)	\$509,512,000
6	General Fund--State Appropriation (FY 2007)	\$525,934,000
7	General Fund--Federal Appropriation	\$4,422,000
8	Violence Reduction and Drug Enforcement Account--	
9	State Appropriation	\$2,984,000
10	TOTAL APPROPRIATION	\$1,042,852,000

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

13 (a) For the acquisition of properties and facilities, the
14 department of corrections is authorized to enter into financial
15 contracts, paid for from operating resources, for the purposes
16 indicated and in not more than the principal amounts indicated, plus
17 financing expenses and required reserves pursuant to chapter 39.94 RCW.
18 This authority applies to the following: Lease-develop with the option
19 to purchase or lease-purchase work release beds in facilities
20 throughout the state for \$8,561,000.

21 (b) The department may expend funds generated by contractual
22 agreements entered into for mitigation of severe overcrowding in local
23 jails. Any funds generated in excess of actual costs shall be
24 deposited in the state general fund. Expenditures shall not exceed
25 revenue generated by such agreements and shall be treated as recovery
26 of costs.

27 (c) The department shall provide funding for the pet partnership
28 program at the Washington corrections center for women at a level at
29 least equal to that provided in the 1995-97 biennium.

30 (d) The department shall accomplish personnel reductions with the
31 least possible impact on correctional custody staff, community custody
32 staff, and correctional industries. For the purposes of this
33 subsection, correctional custody staff means employees responsible for
34 the direct supervision of offenders.

35 (e) During the 2005-07 biennium, when contracts are established or
36 renewed for offender pay phone and other telephone services provided to
37 inmates, the department shall select the contractor or contractors
38 primarily based on the following factors: (i) The lowest rate charged

1 to both the inmate and the person paying for the telephone call; and
2 (ii) the lowest commission rates paid to the department, while
3 providing reasonable compensation to cover the costs of the department
4 to provide the telephone services to inmates and provide sufficient
5 revenues for the activities funded from the institutional welfare
6 betterment account.

7 (3) COMMUNITY SUPERVISION

8	General Fund--State Appropriation (FY 2006)	\$81,398,000
9	General Fund--State Appropriation (FY 2007)	\$78,632,000
10	Public Safety and Education Account--State	
11	Appropriation	\$15,989,000
12	TOTAL APPROPRIATION	\$176,019,000

13 The appropriations in this subsection are subject to the following
14 conditions and limitations: The department shall accomplish personnel
15 reductions with the least possible impact on correctional custody
16 staff, community custody staff, and correctional industries. For the
17 purposes of this subsection, correctional custody staff means employees
18 responsible for the direct supervision of offenders.

19 (4) CORRECTIONAL INDUSTRIES

20	General Fund--State Appropriation (FY 2006)	\$1,298,000
21	General Fund--State Appropriation (FY 2007)	\$728,000
22	TOTAL APPROPRIATION	\$2,026,000

23 The appropriations in this subsection are subject to the following
24 conditions and limitations: \$110,000 of the general fund--state
25 appropriation for fiscal year 2006 and \$110,000 of the general fund--
26 state appropriation for fiscal year 2007 are provided solely for
27 transfer to the jail industries board. The board shall use the amounts
28 provided only for administrative expenses, equipment purchases, and
29 technical assistance associated with advising cities and counties in
30 developing, promoting, and implementing consistent, safe, and efficient
31 offender work programs.

32 (5) INTERAGENCY PAYMENTS

33	General Fund--State Appropriation (FY 2006)	\$33,565,000
34	General Fund--State Appropriation (FY 2007)	\$33,564,000
35	TOTAL APPROPRIATION	\$67,129,000

1 NEW SECTION. **Sec. 223. FOR THE DEPARTMENT OF SERVICES FOR THE**

2 **BLIND**

3	General Fund--State Appropriation (FY 2006)	\$1,872,000
4	General Fund--State Appropriation (FY 2007)	\$1,897,000
5	General Fund--Federal Appropriation	\$15,080,000
6	General Fund--Private/Local Appropriation	\$80,000
7	TOTAL APPROPRIATION	\$18,929,000

8 NEW SECTION. **Sec. 224. FOR THE SENTENCING GUIDELINES COMMISSION**

9	General Fund--State Appropriation (FY 2006)	\$846,000
10	General Fund--State Appropriation (FY 2007)	\$835,000
11	TOTAL APPROPRIATION	\$1,681,000

12 NEW SECTION. **Sec. 225. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

13	General Fund--State Appropriation (FY 2006)	\$37,000
14	General Fund--Federal Appropriation	\$257,246,000
15	General Fund--Private/Local Appropriation	\$30,964,000
16	Unemployment Compensation Administration Account--	
17	Federal Appropriation	\$202,817,000
18	Administrative Contingency Account--State	
19	Appropriation	\$14,629,000
20	Employment Service Administrative Account--State	
21	Appropriation	\$23,830,000
22	TOTAL APPROPRIATION	\$529,523,000

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

25 (1) \$2,087,000 of the unemployment compensation administration
26 account--federal appropriation is provided from funds made available to
27 the state by section 903(d) of the Social Security Act (Reed Act).
28 These funds are provided to replace obsolete information technology
29 infrastructure.

30 (2) \$12,734,556 of the unemployment compensation administration
31 account--federal appropriation is provided from funds made available to
32 the state by section 903(d) of the Social Security Act (Reed Act).
33 These funds are authorized for state choice administrative functions.
34 The department shall submit recommendations by September 1, 2007, to
35 the office of financial management and the legislative fiscal
36 committees for options reducing the costs of the state choice

1 administrative functions for the 2007-2009 biennium. If these options
2 require any statutory changes, the department shall submit agency
3 request legislation to the appropriate legislative policy committees
4 and fiscal committees by December 15, 2007.

5 (3) \$37,000 of the general fund--state appropriation for fiscal
6 year 2006 is provided solely to implement Substitute Senate Bill No.
7 5551 (studying the minimum wage). If the bill is not enacted by June
8 30, 2005, the amount provided in this subsection shall lapse.

9 (4) The appropriations in this section provide funding to implement
10 House Bill No. 2255 (making adjustments to improve benefit equity in
11 the unemployment insurance system).

12 (5) \$9,016,000 of the unemployment compensation administration
13 account--federal appropriation is provided from funds made available to
14 the state by section 903(d) of the Social Security Act (Reed Act).
15 These funds are authorized to provide fraud detection and collection,
16 employer outreach, correction clearinghouse activities, and labor
17 market information.

(End of part)

PART III
NATURAL RESOURCES

NEW SECTION. **Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2006)	\$466,000
General Fund--State Appropriation (FY 2007)	\$469,000
General Fund--Private/Local Appropriation	\$845,000
TOTAL APPROPRIATION	\$1,780,000

NEW SECTION. **Sec. 302. FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2006)	\$39,964,000
General Fund--State Appropriation (FY 2007)	\$38,756,000
General Fund--Federal Appropriation	\$72,286,000
General Fund--Private/Local Appropriation	\$13,225,000
Special Grass Seed Burning Research	
Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	\$2,531,000
Flood Control Assistance Account--State	
Appropriation	\$3,042,000
State Emergency Water Projects Revolving	
Account--State Appropriation	\$2,531,000
Waste Reduction/Recycling/Litter Control--State	
Appropriation	\$14,789,000
State Drought Preparedness Account--State	
Appropriation	\$157,000
State and Local Improvements Revolving	
Account (Water Supply Facilities)--State	
Appropriation	\$342,000
Vessel Response Account--State Appropriation	\$2,876,000
Site Closure Account--State Appropriation	\$637,000
Water Quality Account--State Appropriation	\$28,400,000
Wood Stove Education and Enforcement	
Account--State Appropriation	\$357,000
Worker and Community Right-to-Know	
Account--State Appropriation	\$2,053,000
State Toxics Control Account--State Appropriation	\$76,244,000
State Toxics Control Account--Private/Local	

1	Appropriation	\$363,000
2	Local Toxics Control Account--State Appropriation	\$5,089,000
3	Water Quality Permit Account--State Appropriation	\$30,969,000
4	Underground Storage Tank Account--State Appropriation	\$2,794,000
5	Environmental Excellence Account--State Appropriation	\$504,000
6	Biosolids Permit Account--State Appropriation	\$815,000
7	Hazardous Waste Assistance Account--State	
8	Appropriation	\$4,963,000
9	Air Pollution Control Account--State Appropriation	\$11,103,000
10	Oil Spill Prevention Account--State Appropriation	\$10,255,000
11	Air Operating Permit Account--State Appropriation	\$2,507,000
12	Freshwater Aquatic Weeds Account--State	
13	Appropriation	\$2,519,000
14	Oil Spill Response Account--State Appropriation	\$7,078,000
15	Metals Mining Account--State Appropriation	\$14,000
16	Water Pollution Control Revolving Account--State	
17	Appropriation	\$393,000
18	Water Pollution Control Revolving Account--Federal	
19	Appropriation	\$1,913,000
20	Freshwater Aquatic Algae Control Account--State	
21	Appropriation	\$509,000
22	TOTAL APPROPRIATION	\$379,992,000

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

25 (1) \$2,526,196 of the general fund--state appropriation for fiscal
26 year 2006, \$2,526,195 of the general fund--state appropriation for
27 fiscal year 2007, \$366,000 of the general fund--federal appropriation,
28 \$2,581,000 of the state toxics account--state appropriation, \$540,806
29 of the water quality account--state appropriation, \$3,748,220 of the
30 water quality permit account--state appropriation, and \$705,000 of the
31 oil spill prevention account are provided solely for the implementation
32 of the Puget Sound conservation and recovery plan and agency action
33 items DOE-01, DOE-02, DOE-04, DOE-06, DOE-07, DOE-08, and DOE-09.

34 (2) \$4,054,000 of the state toxics control account appropriation is
35 provided solely for methamphetamine lab clean-up activities.

36 (3) \$170,000 of the oil spill prevention account appropriation is
37 provided solely for implementation of the Puget Sound conservation and
38 recovery plan action item UW-02 through a contract with the University

1 of Washington's sea grant program to continue an educational program
2 targeted to small spills from commercial fishing vessels, ferries,
3 cruise ships, ports, and marinas.

4 (4) \$2,500,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$2,000,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely for shoreline grants to local
7 governments to implement Substitute Senate Bill No. 6012 (shoreline
8 management), chapter 262, Laws of 2003.

9 (5) Fees approved by the department of ecology in the 2005-07
10 biennium are authorized to exceed the fiscal growth factor under RCW
11 43.135.055.

12 (6) \$100,000 of the general fund--state appropriation for fiscal
13 year 2006 and \$100,000 of the general fund--state appropriation for
14 fiscal year 2007 are provided solely to support water measurement and
15 water storage components of the Columbia River Initiative Program.

16 (7) \$661,000 of the state and local improvements revolving
17 account--state appropriation is provided solely to implement House Bill
18 No. 1939 or Senate Bill No. 5831 (well construction fees). If neither
19 bill is enacted by June 30, 2005, the amount provided in this
20 subsection shall lapse.

21 (8) The department shall make recommendations to improve, change,
22 or eliminate monitoring activities that impact performance measures
23 related to salmon recovery and watershed health. The department shall
24 coordinate with the governor's forum on monitoring and watershed health
25 and consult with the office of financial management in determining the
26 scope and contents of this report.

27 In preparing these recommendations, the department shall prepare a
28 report detailing all new activity and updating all previously
29 identified activity within the comprehensive monitoring strategy with
30 a focus on salmon recovery and watershed health related monitoring
31 activity within the agency. At minimum, the report shall include
32 sufficient detail identifying the specific salmon recovery and
33 watershed health monitoring activity being performed and include:
34 Precise costs by fund source, a narrative stating why it is required,
35 when the activity started, the frequency of data collection, and
36 geographic location of data being collected. Furthermore, the agency
37 shall also provide sufficient detail that describes the purpose of each
38 monitoring activity, who uses the information, how often it is

1 accessed, where the information is stored, and the current status and
2 cost, by fund source, of the data storage systems housing each
3 monitoring activity identified within the agency.

4 The department shall provide a status report summarizing progress
5 to the governor's forum on monitoring and watershed health and the
6 office of financial management by March 1, 2006. A final report to the
7 governor's forum on monitoring and watershed health, the office of
8 financial management, and legislative fiscal committees is due no later
9 than September 1, 2006.

10 (9) \$462,000 of the general fund--state appropriation for fiscal
11 year 2006, and \$462,000 of the general fund--state appropriation for
12 fiscal year 2007 are provided solely for implementation of Second
13 Substitute Senate Bill No. 5431 (on-site sewage/marine areas). If the
14 bill is not enacted by June 30, 2005, the amounts provided in this
15 subsection shall lapse.

16 (10) \$509,000 of the freshwater aquatic algae control account--
17 state is provided solely for implementation of Senate Bill No. 5699
18 (aquatic invasive species). If the bill is not enacted by June 30,
19 2005, the amount provided in this subsection shall lapse.

20 (11) \$153,000 of the general fund--state appropriation for fiscal
21 year 2006, and \$144,000 of the general fund--state appropriation for
22 fiscal year 2007 are provided solely for implementation of Substitute
23 Senate Bill No. 5278 (ocean policy review commission). If the bill is
24 not enacted by June 30, 2005, the amounts provided in this subsection
25 shall lapse.

26 (12) \$261,000 of the state toxic control account--state
27 appropriation is provided solely for implementation of Substitute
28 Senate Bill No. 5515 (brominated flame retardants). From within these
29 funds, the department shall determine expenditures related to
30 persistent bioaccumulative toxins (PBTs) by fund source and fiscal year
31 over the past six fiscal years and report these findings to the
32 appropriate fiscal committees of the legislature. The report shall
33 also estimate the need for future funding related to PBTs and recommend
34 possible reductions in lower priority agency programs sufficient to pay
35 for the needed funding for PBTs. If the bill is not enacted by June
36 30, 2005, the amount provided in this subsection shall lapse.

37 (13) \$200,000 of the water quality account--state appropriation is

1 provided solely for the department to contract with the state
2 conservation commission to provide statewide coordination and support
3 for coordinated resource management.

4 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
5 **COMMISSION**

6	General Fund--State Appropriation (FY 2006)	\$32,389,000
7	General Fund--State Appropriation (FY 2007)	\$31,212,000
8	General Fund--Federal Appropriation	\$2,697,000
9	General Fund--Private/Local Appropriation	\$66,000
10	Winter Recreation Program Account--State	
11	Appropriation	\$1,092,000
12	Off Road Vehicle Account--State Appropriation	\$189,000
13	Snowmobile Account--State Appropriation	\$4,797,000
14	Aquatic Lands Enhancement Account--State	
15	Appropriation	\$340,000
16	Parks Renewal and Stewardship Account--State	
17	Appropriation	\$37,811,000
18	Parks Renewal and Stewardship Account--Private/Local	
19	Appropriation	\$300,000
20	TOTAL APPROPRIATION	\$110,893,000

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

23 (1) Fees approved by the state parks and recreation commission in
24 the 2005-07 biennium are authorized to exceed the fiscal growth factor
25 under RCW 43.135.055.

26 (2) \$79,000 of the general fund--state appropriation for fiscal
27 year 2006 and \$79,000 of the general fund--state appropriation for
28 fiscal year 2007 are provided solely for a grant for the operation of
29 the Northwest avalanche center.

30 (3) \$191,000 of the aquatic lands enhancement account appropriation
31 is provided solely for the implementation of the Puget Sound
32 conservation and recovery plan and agency action item PRC-02.

33 (4) \$59,000 of the parks renewal and stewardship account--state
34 appropriation for fiscal year 2006 and \$26,000 of the parks renewal and
35 stewardship account--state appropriation for fiscal year 2007 are
36 provided solely to develop a plan for public education and tourist

1 orientation and interpretation at selected state park sites along the
2 route of the ice age floods from Spokane to the Pacific ocean.

3 NEW SECTION. **Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR**
4 **RECREATION**

5	General Fund--State Appropriation (FY 2006)	\$1,400,000
6	General Fund--State Appropriation (FY 2007)	\$1,410,000
7	General Fund--Federal Appropriation	\$18,341,000
8	General Fund--Private/Local Appropriation	\$250,000
9	Aquatic Lands Enhancement Account--State Appropriation	\$254,000
10	Water Quality Account--State Appropriation	\$200,000
11	Firearms Range Account--State Appropriation	\$24,000
12	Recreation Resources Account--State Appropriation	\$3,006,000
13	NOVA Program Account--State Appropriation	\$809,000
14	TOTAL APPROPRIATION	\$25,694,000

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

17 (1) \$16,025,000 of the general fund--federal appropriation is
18 provided solely for implementation of the forest and fish agreement
19 rules. These funds will be passed through to the department of natural
20 resources and the department of fish and wildlife.

21 (2) The committee shall make recommendations to improve, change, or
22 eliminate monitoring activities that impact performance measures
23 related to salmon recovery and watershed health. The committee shall
24 coordinate with the governor's forum on monitoring and watershed health
25 and consult with the office of financial management in determining the
26 scope and contents of this report.

27 In preparing these recommendations, the committee shall prepare a
28 report detailing all new activity and updating all previously
29 identified activity within the comprehensive monitoring strategy with
30 a focus on salmon recovery and watershed health related monitoring
31 activity within the agency. At minimum, the report shall include
32 sufficient detail identifying the specific salmon recovery and
33 watershed health monitoring activity being performed and include:
34 Precise costs by fund source, a narrative stating why it is required,
35 when the activity started, the frequency of data collection, and
36 geographic location of data being collected. Furthermore, the agency
37 shall also provide sufficient detail that describes the purpose of each

1 monitoring activity, who uses the information, how often it is
2 accessed, where the information is stored, and the current status and
3 cost, by fund source, of the data storage systems housing each
4 monitoring activity identified within the agency.

5 The committee shall provide a status report summarizing progress to
6 the governor's forum on monitoring and watershed health and the office
7 of financial management by March 1, 2006. A final report to the
8 governor's forum on monitoring and watershed health, the office of
9 financial management, and legislative fiscal committees is due no later
10 than September 1, 2006.

11 (3) During the 2005-07 fiscal biennium, any county that purchased
12 land before 1978 for off-road vehicle sports park recreation pursuant
13 to 1972 ex.s. c 153 and 1975 1st ex.s. c 34 may discharge its
14 contractual obligations for state-funded capital improvements on those
15 lands if it sells on the open market not later than June 30, 2007, at
16 the highest price achievable, all such lands and related facilities and
17 equipment. After deducting reasonable expenses for the cost of sale,
18 all remaining funds will be deposited within thirty days of closing to
19 the nonhighway and off-road vehicle activities program account in the
20 office of the state treasurer. Any funds derived from such sale shall
21 be used solely for the benefit of motorized off-road vehicle recreation
22 programs and facilities in areas west of the crest of the Cascade
23 Mountains with preference for developing a new off-road vehicle sports
24 park, and with the review and advice of the nonhighway and off-road
25 vehicle activities advisory committee.

26 (4) \$125,000 of the general fund--state appropriation for fiscal
27 year 2006 and \$125,000 of the general fund--state appropriation for
28 fiscal year 2007 are provided solely for the biodiversity strategy.

29 **NEW SECTION. Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE**

30	General Fund--State Appropriation (FY 2006)	\$1,040,000
31	General Fund--State Appropriation (FY 2007)	\$1,033,000
32	TOTAL APPROPRIATION	\$2,073,000

33 **NEW SECTION. Sec. 306. FOR THE CONSERVATION COMMISSION**

34	General Fund--State Appropriation (FY 2006)	\$2,379,000
35	General Fund--State Appropriation (FY 2007)	\$2,387,000
36	Water Quality Account--State Appropriation	\$4,019,000

1 TOTAL APPROPRIATION \$8,785,000

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

4 (1) \$197,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$197,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely for the implementation of the
7 Puget Sound conservation and recovery plan and agency action item CC-
8 01.

9 (2) \$250,000 of the general fund--state appropriation for fiscal
10 year 2006 and \$250,000 of the general fund--state appropriation for
11 fiscal year 2007 are provided solely to implement House Bill No. 1462
12 or Senate Bill No. 5010, relating to funding for conservation
13 districts. If neither bill is enacted by June 30, 2005, the amounts
14 provided in this subsection shall lapse.

15 (3) The commission shall make recommendations to improve, change,
16 or eliminate monitoring activities that impact performance measures
17 related to salmon recovery and watershed health. The commission shall
18 coordinate with the governor's forum on monitoring and watershed health
19 and consult with the office of financial management in determining the
20 scope and contents of this report.

21 In preparing these recommendations, the commission shall prepare a
22 report detailing all new activity and updating all previously
23 identified activity within the comprehensive monitoring strategy with
24 a focus on salmon recovery and watershed health related monitoring
25 activity within the agency. At minimum, the report shall include
26 sufficient detail identifying the specific salmon recovery and
27 watershed health monitoring activity being performed and include:
28 Precise costs by fund source, a narrative stating why it is required,
29 when the activity started, the frequency of data collection, and
30 geographic location of data being collected. Furthermore, the agency
31 shall also provide sufficient detail that describes the purpose of each
32 monitoring activity, who uses the information, how often it is
33 accessed, where the information is stored, and the current status and
34 cost, by fund source, of the data storage systems housing each
35 monitoring activity identified within the agency.

36 The commission shall provide a status report summarizing progress
37 to the governor's forum on monitoring and watershed health and the
38 office of financial management by March 1, 2006. A final report to the

1 governor's forum on monitoring and watershed health, the office of
2 financial management, and legislative fiscal committees is due no later
3 than September 1, 2006.

4 NEW SECTION. **Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

5	General Fund--State Appropriation (FY 2006)	\$45,030,000
6	General Fund--State Appropriation (FY 2007)	\$43,012,000
7	General Fund--Federal Appropriation	\$41,359,000
8	General Fund--Private/Local Appropriation	\$35,329,000
9	Off Road Vehicle Account--State Appropriation	\$387,000
10	Aquatic Lands Enhancement Account--State	
11	Appropriation	\$5,710,000
12	Recreational Fisheries Enhancement--State	
13	Appropriation	\$3,481,000
14	Warm Water Game Fish Account--State Appropriation	\$2,839,000
15	Eastern Washington Pheasant Enhancement	
16	Account--State Appropriation	\$750,000
17	Wildlife Account--State Appropriation	\$60,371,000
18	Wildlife Account--Federal Appropriation	\$30,250,000
19	Wildlife Account--Private/Local Appropriation	\$10,296,000
20	Game Special Wildlife Account--State Appropriation	\$2,119,000
21	Game Special Wildlife Account--Federal Appropriation	\$8,799,000
22	Game Special Wildlife Account--Private/Local	
23	Appropriation	\$458,000
24	Environmental Excellence Account--State Appropriation	\$15,000
25	Regional Fisheries Salmonid Recovery	
26	Account--Federal Appropriation	\$1,754,000
27	Oil Spill Prevention Account--State Appropriation	\$1,010,000
28	Recreation Resources Account--State Appropriation	\$36,000
29	Oyster Reserve Land Account--State Appropriation	\$411,000
30	Freshwater Aquatic Algae Control Account--State	
31	Appropriation	\$750,000
32	TOTAL APPROPRIATION	\$294,166,000

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

35 (1) \$1,556,714 of the general fund--state appropriation for fiscal
36 year 2006 and \$1,556,713 of the general fund--state appropriation for

1 fiscal year 2007 are provided solely for the implementation of the
2 Puget Sound conservation and recovery plan and agency action items DFW-
3 01 through DFW-06, DFW-08 through DFW-12, and DFW-16.

4 (2) \$225,000 of the general fund--state appropriation for fiscal
5 year 2006 and \$225,000 of the general fund--state appropriation for
6 fiscal year 2007 are provided solely for the implementation of hatchery
7 reform recommendations defined by the hatchery scientific review group.

8 (3) The department shall support the activities of the aquatic
9 nuisance species coordination committee to foster state, federal,
10 tribal, and private cooperation on aquatic nuisance species issues.
11 The committee shall strive to prevent the introduction of nonnative
12 aquatic species and to minimize the spread of species that are
13 introduced.

14 (4) The department shall emphasize enforcement of laws related to
15 protection of fish habitat and the illegal harvest of salmon and
16 steelhead. Within the amount provided for the agency, the department
17 shall provide support to the department of health to enforce state
18 shellfish harvest laws.

19 (5) \$180,000 of the wildlife account--state appropriation is
20 provided solely to test deer and elk for chronic wasting disease and to
21 document the extent of swan lead poisoning. Of this amount, \$65,000 is
22 provided solely to document the extent of swan lead poisoning and to
23 begin environmental cleanup.

24 (6) The department shall provide quarterly status reports to the
25 office of financial management regarding the replacement of the
26 Washington interactive licensing system and the implementation of the
27 hydraulic permit management system.

28 (7) Prior to the department entering into any agreement relating to
29 the disposal, sale, lease, or transfer of property identified within
30 the 2003 legislatively authorized report "Thurston county property
31 functions, operations & valuations analysis," the department shall
32 notify the director of financial management and the chairs of the
33 senate committee on ways and means, the house of representatives
34 committee on appropriations, and the house of representatives capital
35 budget committee.

36 (8) The department shall prepare a report detailing the hydraulic
37 permit approval program applications and project types. The department
38 shall coordinate with the office of financial management in determining

1 the contents of the report. At minimum, the report shall include
2 permits by applicant (name, state, local, federal, tribal entity,
3 etc.), project type (pamphlet, minor, medium, major, extension,
4 revision, etc.) and project location (county and water resource
5 inventory area). The department shall submit the report to the office
6 of financial management and legislative fiscal committees no later than
7 September 1, 2006.

8 (9) \$1,900,000 of the state wildlife account--state is provided
9 solely to implement Senate Bill No. 5234 (expanding hunter access to
10 private lands). If the bill is not enacted by June 30, 2005, the
11 amount provided in this subsection shall lapse.

12 (10) The department shall make recommendations to improve, change,
13 or eliminate monitoring activities that impact performance measures
14 related to salmon recovery and watershed health. The department shall
15 coordinate with the governor's forum on monitoring and watershed health
16 and consult with the office of financial management in determining the
17 scope and contents of this report.

18 In preparing these recommendations, the department shall prepare a
19 report detailing all new activity and updating all previously
20 identified activity within the comprehensive monitoring strategy with
21 a focus on salmon recovery and watershed health related monitoring
22 activity within the agency. At minimum, the report shall include
23 sufficient detail identifying the specific salmon recovery and
24 watershed health monitoring activity being performed and include:
25 Precise costs by fund source, a narrative stating why it is required,
26 when the activity started, the frequency of data collection, and
27 geographic location of data being collected. Furthermore, the agency
28 shall also provide sufficient detail that describes the purpose of each
29 monitoring activity, who uses the information, how often it is
30 accessed, where the information is stored, and the current status and
31 cost, by fund source, of the data storage systems housing each
32 monitoring activity identified within the agency.

33 The department shall provide a status report summarizing progress
34 to the governor's forum on monitoring and watershed health and the
35 office of financial management by March 1, 2006. A final report to the
36 governor's forum on monitoring and watershed health, the office of
37 financial management, and legislative fiscal committees is due no later
38 than September 1, 2006.

1 (11) \$75,000 of the general fund--state appropriation for fiscal
 2 year 2006 is provided solely for a grant to the grizzly bear outreach
 3 project to disseminate accurate information about grizzly bears and the
 4 grizzly bear recovery process in the north Cascades mountains.

5 (12) \$375,000 of the freshwater aquatic algae control account--
 6 state appropriation for fiscal year 2006 and \$375,000 of the freshwater
 7 aquatic algae control account--state appropriation for fiscal year 2007
 8 are provided solely to implement Senate Bill No. 5699 (preventing and
 9 controlling aquatic invasive species and algae). If the bill is not
 10 enacted by June 30, 2005, the amounts provided in this subsection shall
 11 lapse.

12 (13) \$703,000 of the general fund--state appropriation for fiscal
 13 year 2006 is provided solely to purchase six purse seine and three gill
 14 net licenses to meet the provisions of the United States/Canada salmon
 15 treaty.

16 **NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

17	General Fund--State Appropriation (FY 2006)	\$50,643,000
18	General Fund--State Appropriation (FY 2007)	\$47,135,000
19	General Fund--Federal Appropriation	\$15,073,000
20	General Fund--Private/Local Appropriation	\$1,257,000
21	Forest Development Account--State Appropriation	\$52,909,000
22	Off-Road Vehicle Account--State Appropriation	\$3,796,000
23	Surveys and Maps Account--State Appropriation	\$2,301,000
24	Aquatic Lands Enhancement Account--State	
25	Appropriation	\$8,226,000
26	Resources Management Cost Account--State	
27	Appropriation	\$72,542,000
28	Surface Mining Reclamation Account--State	
29	Appropriation	\$1,791,000
30	Disaster Response Account--State	
31	Appropriation	\$4,000,000
32	Water Quality Account--State Appropriation	\$2,554,000
33	Aquatic Land Dredged Material Disposal Site	
34	Account--State Appropriation	\$647,000
35	Natural Resources Conservation Areas Stewardship	
36	Account--State Appropriation	\$34,000
37	State Toxics Control Account--State Appropriation	\$2,155,000

1	Air Pollution Control Account--State Appropriation	\$540,000
2	Derelict Vessel Removal Account--State Appropriation	\$1,132,000
3	Agricultural College Trust Management	
4	Account--State Appropriation	\$1,903,000
5	TOTAL APPROPRIATION	\$268,638,000

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

8 (1) \$18,000 of the general fund--state appropriation for fiscal
9 year 2006, \$18,000 of the general fund--state appropriation for fiscal
10 year 2007, and \$1,652,050 of the aquatic lands enhancement account
11 appropriation are provided solely for the implementation of the Puget
12 Sound conservation and recovery plan and agency action items DNR-01 and
13 DNR-02.

14 (2) \$953,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$950,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely for deposit into the agricultural
17 college trust management account and are provided solely to manage
18 approximately 70,700 acres of Washington State University's
19 agricultural college trust lands.

20 (3) \$10,700,000 of the general fund--state appropriation for fiscal
21 year 2006, \$16,570,000 of the general fund--state appropriation for
22 fiscal year 2007, and \$4,000,000 of the disaster response account--
23 state appropriation are provided solely for emergency fire suppression.
24 Of these amounts, up to \$250,000 may be expended for staff and other
25 necessary resources to design and implement a fire data-collection
26 system that includes financial- and performance-management information
27 for fires over 10 acres in size.

28 None of the general fund and disaster response account amounts
29 provided in this subsection may be used to fund agency indirect and
30 administrative expenses. Agency indirect and administrative costs
31 shall be allocated among the agency's remaining accounts and
32 appropriations.

33 (4) \$582,000 of the aquatic lands enhancement account appropriation
34 is provided solely for spartina control.

35 (5) Fees approved by the board of natural resources in the 2005-07
36 biennium are authorized to exceed the fiscal growth factor under RCW
37 43.135.055.

1 (6) \$9,000,000 of the general fund--state appropriation for fiscal
2 year 2006 and \$2,000,000 of the aquatic lands enhancement account--
3 state appropriation are provided solely for the purposes of settling
4 all claims in *U.S., et al. v. State of Washington, et al.*
5 Subproceeding No. 89-3 (Shellfish), United States District Court for
6 the Western District of Washington at Seattle, Case No. C70-9213. The
7 expenditure of this appropriation is contingent on the release of all
8 claims in this subproceeding. In the event that the federal government
9 does not appropriate \$22,000,000 for this purpose by June 30, 2006, the
10 amounts provided in this subsection shall lapse.

11 (7) \$2,155,000 of the state toxics account--state appropriation is
12 provided solely for the department to meet its obligations with the
13 U.S. environmental protection agency for the clean-up of Commencement
14 Bay and other sites.

15 (8) The department shall make recommendations to improve, change,
16 or eliminate monitoring activities that impact performance measures
17 related to salmon recovery and watershed health. The department shall
18 coordinate with the governor's forum on monitoring and watershed health
19 and consult with the office of financial management in determining the
20 scope and contents of this report.

21 In preparing these recommendations, the department shall prepare a
22 report detailing all new activity and updating all previously
23 identified activity within the comprehensive monitoring strategy with
24 a focus on salmon recovery and watershed health related monitoring
25 activity within the agency. At minimum, the report shall include
26 sufficient detail identifying the specific salmon recovery and
27 watershed health monitoring activity being performed and include:
28 Precise costs by fund source, a narrative stating why it is required,
29 when the activity started, the frequency of data collection, and
30 geographic location of data being collected. Furthermore, the agency
31 shall also provide sufficient detail that describes the purpose of each
32 monitoring activity, who uses the information, how often it is
33 accessed, where the information is stored, and the current status and
34 cost, by fund source, of the data storage systems housing each
35 monitoring activity identified within the agency.

36 The department shall provide a status report summarizing progress
37 to the governor's forum on monitoring and watershed health and the
38 office of financial management by March 1, 2006. A final report to the

1 governor's forum on monitoring and watershed health, the office of
2 financial management, and legislative fiscal committees is due no later
3 than September 1, 2006.

4 (9) Within the amounts provided in this section, the department
5 shall provide to the department of transportation and the appropriate
6 committees of the legislature a list of state lands within one mile of
7 interstate 5 and interstate 90. The report shall be submitted by
8 December 1, 2005.

9 (10) The department shall not develop the Gull Harbor facility
10 without first submitting a master plan to the appropriate committees of
11 the legislature. The plan shall ensure continued public access to the
12 waterfront. The plan shall also examine alternative locations to the
13 Gull Harbor site that would colocate marine equipment for all state
14 agencies needing water access in Thurston county. The report shall be
15 submitted by December 1, 2006.

16 (11) \$250,000 of the general fund--state appropriation for fiscal
17 year 2006, \$250,000 of the general fund--state appropriation for fiscal
18 year 2007, and \$500,000 of the resource management cost account--state
19 appropriation are provided solely for a report on the future of
20 Washington forests. The purpose of the report is to examine economic,
21 recreational, and environmental trends influencing the forest products
22 industry and secondary manufacturing sectors in Washington state. The
23 department shall contract with the University of Washington college of
24 forestry resources. The college shall consult with the University of
25 Washington economics department for the section on investment returns
26 from granted lands. The report shall contain the following parts:

27 (a) An update of the 1992 timber supply study for Washington state
28 that was conducted by the University of Washington. The update may be
29 accomplished by reviewing the most recent similar data available in
30 existing reports, examining a sample of the original 1992 study sample
31 of lands, and through other existing data sources that may reveal
32 relevant trends and changes since 1992.

33 (b) An independent assessment of the economic contribution of the
34 forest products industry, and secondary manufacturing sectors, to the
35 state. This assessment will also examine some of the macroeconomic
36 trends likely to affect the industry in the future.

37 (c) A comparison of the competitive position of Washington's forest
38 products industry globally, and with other leading forest products

1 states, or regions, of the United States. This evaluation should
2 compare the relative tax burden for growing and harvesting timber
3 between the states or regions and the relative cost of adhering to
4 regulations, and identify the competitive advantages of each state or
5 region.

6 (d) An assessment of the trends and dynamics that commercial and
7 residential development play in the conversion of the state's forests
8 to nonforestry uses. The assessment will involve gathering relevant
9 data, reviewing that data, and analyzing the relationship between
10 development and the conversion of forest land uses.

11 (e) Recommendations on: (i) Policy changes that would enhance the
12 competitive position of Washington's forest products industry in
13 Washington state; (ii) policy changes that would, to the extent
14 possible, ensure that a productive forest land base continues to be
15 managed for forest products, recreation, and environmental and other
16 public benefits into the future; and (iii) policy changes that would
17 enhance the recreational opportunities on working forest lands in the
18 state.

19 (f) Based on the information derived from (a) through (d) of this
20 subsection, an assessment of the expected rate of return from state
21 granted lands. This section of the reports shall also review reports
22 prepared by the department over the past ten years that describe the
23 investment returns from granted lands. The review of these previous
24 reports shall compare and critique the methodology and indicators used
25 to report investment returns. The review shall recommend appropriate
26 measures of investment returns from granted lands.

27 (g) Analyze and recommend policies and programs to assist Cascade
28 foothills area landowners and communities in developing and
29 implementing innovative approaches to retaining traditional forestry
30 while at the same time accommodating new uses that strengthen the
31 economic and natural benefits from forest lands. For the purposes of
32 this section, the Cascade foothills area generally encompasses the
33 nonurbanized lands within the Cascade mountain range and drainages
34 lying between three hundred and three thousand feet above mean sea
35 level, and located within Whatcom, Skagit, Snohomish, King, Pierce,
36 Thurston, and Lewis counties.

37 (12) \$4,000 of the general fund--state appropriation for fiscal
38 year 2004 and \$4,000 of the general fund--state appropriation for

1 fiscal year 2005 are provided solely to compensate the forest board
2 trust for a portion of the lease to the Crescent television improvement
3 district consistent with RCW 79.13.520.

4 NEW SECTION. **Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

5	General Fund--State Appropriation (FY 2006)	\$9,880,000
6	General Fund--State Appropriation (FY 2007)	\$9,649,000
7	General Fund--Federal Appropriation	\$10,280,000
8	General Fund--Private/Local Appropriation	\$410,000
9	Aquatic Lands Enhancement Account--State	
10	Appropriation	\$1,968,000
11	Water Quality Account--State Appropriation	\$949,000
12	State Toxics Control Account--State Appropriation	\$3,367,000
13	Water Quality Permit Account--State Appropriation	\$238,000
14	TOTAL APPROPRIATION	\$36,741,000

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

17 (1) \$37,000 of the general fund--state appropriation for fiscal
18 year 2006 and \$37,000 of the general fund--state appropriation for
19 fiscal year 2007 are provided solely for implementation of the Puget
20 Sound conservation and recovery plan and agency action item WSDA-01.

21 (2) Fees and assessments approved by the department in the 2005-07
22 biennium are authorized to exceed the fiscal growth factor under RCW
23 43.135.055.

24 (3) Within funds appropriated in this section, the department, in
25 addition to the authority provided in RCW 17.26.007, may enter into
26 agreements with federal agencies to eradicate spartina from private
27 lands that may provide a source of reinfestation to public lands.

28 (4) \$36,000 of the general fund--state appropriation for fiscal
29 year 2006 and \$37,000 of the general fund--state appropriation for
30 fiscal year 2007 are provided solely for an economic impact study of
31 fairs in the state of Washington.

32 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
33 **REINSURANCE PROGRAM**

1 Pollution Liability Insurance Program Trust
2 Account--State Appropriation \$849,000

(End of part)

PART IV
TRANSPORTATION

NEW SECTION. **Sec. 401. FOR THE DEPARTMENT OF LICENSING**

4	General Fund--State Appropriation (FY 2006)	\$1,750,000
5	General Fund--State Appropriation (FY 2007)	\$1,532,000
6	Architects' License Account--State Appropriation	\$717,000
7	Cemetery Account--State Appropriation	\$220,000
8	Professional Engineers' Account--State Appropriation	\$3,096,000
9	Real Estate Commission Account--State Appropriation	\$7,362,000
10	Master License Account--State Appropriation	\$11,343,000
11	Uniform Commercial Code Account--State Appropriation	\$2,851,000
12	Real Estate Education Account--State Appropriation	\$275,000
13	Real Estate Appraiser Commission	
14	Account--State Appropriation	\$1,326,000
15	Business and Professions Account--State Appropriation	\$7,927,000
16	Real Estate Research Account--State Appropriation	\$301,000
17	Funeral Directors and Embalmers	
18	Account--State Appropriation	\$523,000
19	Geologists' Account--State Appropriation	\$34,000
20	Data Processing Revolving Account--State Appropriation	\$29,000
21	Derelict Vessel Removal Account--State Appropriation	\$31,000
22	TOTAL APPROPRIATION	\$39,317,000

(1) The appropriations in this section are subject to the following conditions and limitations: In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2005-07 fiscal biennium. Pursuant to RCW 43.135.055, during the 2005-07 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

(2) \$14,000 of the professional engineers' account--state

1 appropriation is provided solely to implement Senate Bill No. 5117
2 (land surveyors). If the bill is not enacted by June 30, 2005, the
3 amount provided in this subsection shall lapse.

4 (3) \$180,000 of the real estate appraiser commission account--state
5 appropriation is provided solely to implement Senate Bill No. 5274
6 (real estate appraisers). If the bill is not enacted by June 30, 2005,
7 the amount provided in this subsection shall lapse.

8 (4) \$7,927,000 of the business and professions account--state
9 appropriation is subject to enactment of Substitute House Bill No. 1394
10 (business and professions account). If the bill is not enacted by June
11 30, 2005, the appropriations out of this account shall be made from the
12 general fund.

13 NEW SECTION. **Sec. 402. FOR THE STATE PATROL**

14	General Fund--State Appropriation (FY 2006)	\$23,519,000
15	General Fund--State Appropriation (FY 2007)	\$22,589,000
16	General Fund--Federal Appropriation	\$4,269,000
17	General Fund--Private/Local Appropriation	\$582,000
18	Death Investigations Account--State Appropriation	\$5,791,000
19	Public Safety and Education Account--State	
20	Appropriation	\$23,346,000
21	Enhanced 911 Account--State Appropriation	\$572,000
22	County Criminal Justice Assistance	
23	Account--State Appropriation	\$2,790,000
24	Municipal Criminal Justice Assistance	
25	Account--State Appropriation	\$1,123,000
26	Fire Service Trust Account--State Appropriation	\$131,000
27	Fire Service Training Account--State Appropriation	\$7,476,000
28	State Toxics Control Account--State Appropriation	\$450,000
29	Violence Reduction and Drug Enforcement	
30	Account--State Appropriation	\$300,000
31	Fingerprint Identification	
32	Account--State Appropriation	\$6,120,000
33	DNA Data Base Account--State Appropriation	\$150,000
34	TOTAL APPROPRIATION	\$99,208,000

35 The appropriations in this section are subject to the following
36 conditions and limitations: \$200,000 of the fire service training
37 account--state appropriation is provided solely for two FTE's in the

1 office of state fire marshal to exclusively review K-12 construction
2 documents for fire and life safety in accordance with the state
3 building code. It is the intent of this appropriation to provide these
4 services only to those districts that are located in counties without
5 qualified review capabilities.

(End of part)

PART V
EDUCATION

NEW SECTION. **Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2006)	\$12,815,000
General Fund--State Appropriation (FY 2007)	\$12,303,000
General Fund--Federal Appropriation	\$29,522,000
TOTAL APPROPRIATION	\$54,640,000

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

(a) \$10,621,000 of the general fund--state appropriation for fiscal year 2006 and \$10,513,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(b) \$428,000 of the general fund--state appropriation for fiscal year 2006 and \$428,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(c) \$509,000 of the general fund--state appropriation for fiscal year 2006 and \$504,000 of the general fund--state appropriation for fiscal year 2007 are provided solely for the operation and expenses of the Washington professional educator standards board. Within the amounts provided in this subsection, the Washington professional

1 educator standards board shall pursue the implementation of recent
2 study recommendations including: (i) Revision of teacher mathematics
3 endorsement competencies and alignment of teacher tests to the updated
4 competencies; and (ii) development of mathematics specialist
5 endorsement. Sufficient funding is provided in this subsection to
6 accomplish the additional responsibilities of the professional
7 educators standards board under Substitute Senate Bill No. 5732
8 (education governance).

9 (d) \$400,000 of the general fund--state appropriation for fiscal
10 year 2006 is provided solely for maintenance and operation of a backup
11 to the apportionment system, which includes the processes that collect
12 school district budget and expenditure information, staffing
13 characteristics, and the student enrollments that drive the funding
14 process.

15 (e) \$779,000 of the general fund--state appropriation for fiscal
16 year 2006 and \$780,000 of the general fund--state appropriation for
17 fiscal year 2007 are provided solely for development and implementation
18 of a core student record system.

19 (f) \$78,000 of the general fund--state appropriation for fiscal
20 year 2006 and \$78,000 of the general fund--state appropriation for
21 fiscal year 2007 are provided solely to provide direct services and
22 support to schools around an integrated, interdisciplinary approach to
23 instruction in conservation, natural resources, sustainability, and
24 human adaptation to the environment. Specific integration efforts will
25 focus on science, math, and the social sciences. Integration between
26 basic education and career and technical education, particularly
27 agricultural and natural sciences education, is to be a major element.

28 (2) STATEWIDE PROGRAMS

29	General Fund--State Appropriation (FY 2006)	\$8,935,000
30	General Fund--State Appropriation (FY 2007)	\$8,818,000
31	General Fund--Federal Appropriation	\$47,465,000
32	TOTAL APPROPRIATION	\$65,218,000

33 The appropriations in this subsection are provided solely for the
34 statewide programs specified in this subsection and are subject to the
35 following conditions and limitations:

36 (a) HEALTH AND SAFETY

37 (i) A maximum of \$2,541,000 of the general fund--state
38 appropriation for fiscal year 2006 and a maximum of \$2,541,000 of the

1 general fund--state appropriation for fiscal year 2007 are provided for
2 a corps of nurses located at educational service districts, as
3 determined by the superintendent of public instruction, to be
4 dispatched to the most needy schools to provide direct care to
5 students, health education, and training for school staff.

6 (ii) A maximum of \$96,000 of the general fund--state appropriation
7 for fiscal year 2006 and a maximum of \$96,000 of the general fund--
8 state appropriation for fiscal year 2007 are provided for the school
9 safety center in the office of the superintendent of public instruction
10 subject to the following conditions and limitations:

11 (A) The safety center shall: Disseminate successful models of
12 school safety plans and cooperative efforts; provide assistance to
13 schools to establish a comprehensive safe school plan; select models of
14 cooperative efforts that have been proven successful; act as an
15 information dissemination and resource center when an incident occurs
16 in a school district either in Washington or in another state;
17 coordinate activities relating to school safety; review and approve
18 manuals and curricula used for school safety models and training; and
19 develop and maintain a school safety information web site.

20 (B) The school safety center advisory committee shall develop a
21 training program, using the best practices in school safety, for all
22 school safety personnel.

23 (iii) A maximum of \$100,000 of the general fund--state
24 appropriation for fiscal year 2006 and a maximum of \$100,000 of the
25 general fund--state appropriation for fiscal year 2007 are provided for
26 a school safety training program provided by the criminal justice
27 training commission. The commission, in collaboration with the school
28 safety center advisory committee, shall provide the school safety
29 training for all school administrators and school safety personnel,
30 including school safety personnel hired after the effective date of
31 this section.

32 (iv) \$40,000 of the general fund--state appropriation is provided
33 solely for the safety center advisory committee to develop and
34 distribute a pamphlet to promote internet safety for children,
35 particularly in grades seven through twelve. The pamphlet shall be
36 posted on the superintendent of public instruction's web site. To the
37 extent possible, the pamphlet shall be distributed in schools

1 throughout the state and in other areas accessible to youth, including
2 but not limited to libraries and community centers.

3 (v) \$11,600,000 of the general fund--federal appropriation is
4 provided for safe and drug free schools and communities grants for drug
5 and violence prevention activities and strategies.

6 (b) TECHNOLOGY

7 A maximum of \$1,939,000 of the general fund--state appropriation
8 for fiscal year 2006 and a maximum of \$1,939,000 of the general fund--
9 state appropriation for fiscal year 2007 are provided for K-20
10 telecommunications network technical support in the K-12 sector to
11 prevent system failures and avoid interruptions in school utilization
12 of the data processing and video-conferencing capabilities of the
13 network. These funds may be used to purchase engineering and advanced
14 technical support for the network.

15 (c) GRANTS AND ALLOCATIONS

16 (i) \$787,000 of the fiscal year 2006 appropriation and \$799,000 of
17 the fiscal year 2007 appropriation are provided solely for the special
18 services pilot projects. The office of the superintendent of public
19 instruction shall allocate these funds to the district or districts
20 participating in the pilot program according to the provisions of RCW
21 28A.630.015.

22 (ii) A maximum of \$549,000 of the general fund--state appropriation
23 for fiscal year 2006 and a maximum of \$549,000 of the general fund--
24 state appropriation for fiscal year 2007 are provided for alternative
25 certification routes. Funds may be used by the professional educator
26 standards board to continue existing alternative-route grant programs
27 and to create new alternative-route programs in regions of the state
28 with service shortages.

29 (iii) A maximum of \$31,000 of the general fund--state appropriation
30 for fiscal year 2006 and a maximum of \$31,000 of the general fund--
31 state appropriation for fiscal year 2007 are provided for operation of
32 the Cispus environmental learning center.

33 (iv) A maximum of \$612,000 of the general fund--state appropriation
34 for fiscal year 2006 and a maximum of \$612,000 of the general fund--
35 state appropriation for fiscal year 2007 are provided for in-service
36 training and educational programs conducted by the Pacific Science
37 Center.

1 (v) A maximum of \$540,000 of the general fund--state appropriation
2 for fiscal year 2006 and a maximum of \$540,000 of the general fund--
3 state appropriation for fiscal year 2007 are provided for the
4 Washington state leadership assistance for science education reform
5 (LASER) regional partnership coordinated at the Pacific Science Center.

6 (vi) A maximum of \$97,000 of the general fund--state appropriation
7 for fiscal year 2006 and a maximum of \$97,000 of the general fund--
8 state appropriation for fiscal year 2007 are provided to support
9 vocational student leadership organizations.

10 (vii) A maximum of \$146,000 of the general fund--state
11 appropriation for fiscal year 2006 and a maximum of \$146,000 of the
12 general fund--state appropriation for fiscal year 2007 are provided for
13 the Washington civil liberties education program.

14 (viii) \$75,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$75,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely for developing and disseminating
17 curriculum and other materials documenting women's role in World War
18 II.

19 (ix) \$1,000,000 of the general fund--state appropriation for fiscal
20 year 2006 and \$1,000,000 of the general fund--state appropriation for
21 fiscal year 2007 are provided solely for the Washington state achievers
22 scholarship program. The funds shall be used to support community
23 involvement officers that recruit, train, and match community volunteer
24 mentors with students selected as achievers scholars.

25 (x) \$383,000 of the general fund--state appropriation for fiscal
26 year 2006 and \$294,000 of the general fund--state appropriation for
27 fiscal year 2007 are provided solely for the implementation of
28 Engrossed Substitute Senate Bill No. 5349 (dyslexia pilot programs).
29 If the bill is not enacted before June 30, 2005, the amounts provided
30 in this subsection shall lapse.

31 (xi) \$1,521,000 of the general fund--federal appropriation is
32 provided for the advanced placement fee program to increase
33 opportunities for low-income students and under-represented populations
34 to participate in advanced placement courses and to increase the
35 capacity of schools to provide advanced placement courses to students.

36 (xii) \$8,292,000 of the general fund--federal appropriation is
37 provided for comprehensive school reform demonstration projects to

1 provide grants to low-income schools for improving student achievement
2 through adoption and implementation of research-based curricula and
3 instructional programs.

4 (xiii) \$19,587,000 of the general fund--federal appropriation is
5 provided for 21st century learning center grants, providing after-
6 school and inter-session activities for students.

7 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
8 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

9	General Fund--State Appropriation (FY 2006)	\$4,188,076,000
10	General Fund--State Appropriation (FY 2007)	\$4,227,953,000
11	TOTAL APPROPRIATION	\$8,416,029,000

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

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

17 (2) Allocations for certificated staff salaries for the 2005-06 and
18 2006-07 school years shall be determined using formula-generated staff
19 units calculated pursuant to this subsection. Staff allocations for
20 small school enrollments in (d) through (f) of this subsection shall be
21 reduced for vocational full-time equivalent enrollments. Staff
22 allocations for small school enrollments in grades K-6 shall be the
23 greater of that generated under (a) of this subsection, or under (d)
24 and (e) of this subsection. Certificated staffing allocations shall be
25 as follows:

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

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

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

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

36 (iv) An additional 4.2 certificated instructional staff units for
37 grades K-3 and an additional 7.2 certificated instructional staff units

1 for grade 4. Any funds allocated for the additional certificated units
2 provided in this subsection (iv) shall not be considered as basic
3 education funding;

4 (A) Funds provided under this subsection (2)(a)(iv) in excess of
5 the amount required to maintain the statutory minimum ratio established
6 under RCW 28A.150.260(2)(b) shall be allocated only if the district
7 documents an actual ratio in grades K-4 equal to or greater than 53.2
8 certificated instructional staff per thousand full-time equivalent
9 students. For any school district documenting a lower certificated
10 instructional staff ratio, the allocation shall be based on the
11 district's actual grades K-4 certificated instructional staff ratio
12 achieved in that school year, or the statutory minimum ratio
13 established under RCW 28A.150.260(2)(b), if greater;

14 (B) Districts at or above 51.0 certificated instructional staff per
15 one thousand full-time equivalent students in grades K-4 may dedicate
16 up to 1.3 of the 53.2 funding ratio to employ additional classified
17 instructional assistants assigned to basic education classrooms in
18 grades K-4. For purposes of documenting a district's staff ratio under
19 this section, funds used by the district to employ additional
20 classified instructional assistants shall be converted to a
21 certificated staff equivalent and added to the district's actual
22 certificated instructional staff ratio. Additional classified
23 instructional assistants, for the purposes of this subsection, shall be
24 determined using the 1989-90 school year as the base year;

25 (C) Any district maintaining a ratio in grades K-4 equal to or
26 greater than 53.2 certificated instructional staff per thousand full-
27 time equivalent students may use allocations generated under this
28 subsection (2)(a)(iv) in excess of that required to maintain the
29 minimum ratio established under RCW 28A.150.260(2)(b) to employ
30 additional basic education certificated instructional staff or
31 classified instructional assistants in grades 5-6. Funds allocated
32 under this subsection (2)(a)(iv) shall only be expended to reduce class
33 size in grades K-6. No more than 1.3 of the certificated instructional
34 funding ratio amount may be expended for provision of classified
35 instructional assistants;

36 (b) For school districts with a minimum enrollment of 250 full-time
37 equivalent students whose full-time equivalent student enrollment count
38 in a given month exceeds the first of the month full-time equivalent

1 enrollment count by 5 percent, an additional state allocation of 110
2 percent of the share that such increased enrollment would have
3 generated had such additional full-time equivalent students been
4 included in the normal enrollment count for that particular month;

5 (c)(i) On the basis of full-time equivalent enrollment in:

6 (A) Vocational education programs approved by the superintendent of
7 public instruction, a maximum of 0.92 certificated instructional staff
8 units and 0.08 certificated administrative staff units for each 19.5
9 full-time equivalent vocational students; and

10 (B) Skills center programs meeting the standards for skills center
11 funding established in January 1999 by the superintendent of public
12 instruction, 0.92 certificated instructional staff units and 0.08
13 certificated administrative units for each 16.67 full-time equivalent
14 vocational students;

15 (ii) Vocational full-time equivalent enrollment shall be reported
16 on the same monthly basis as the enrollment for students eligible for
17 basic support, and payments shall be adjusted for reported vocational
18 enrollments on the same monthly basis as those adjustments for
19 enrollment for students eligible for basic support; and

20 (iii) Indirect cost charges by a school district to vocational-
21 secondary programs shall not exceed 15 percent of the combined basic
22 education and vocational enhancement allocations of state funds;

23 (d) For districts enrolling not more than twenty-five average
24 annual full-time equivalent students in grades K-8, and for small
25 school plants within any school district which have been judged to be
26 remote and necessary by the state board of education and enroll not
27 more than twenty-five average annual full-time equivalent students in
28 grades K-8:

29 (i) For those enrolling no students in grades 7 and 8, 1.76
30 certificated instructional staff units and 0.24 certificated
31 administrative staff units for enrollment of not more than five
32 students, plus one-twentieth of a certificated instructional staff unit
33 for each additional student enrolled; and

34 (ii) For those enrolling students in grades 7 or 8, 1.68
35 certificated instructional staff units and 0.32 certificated
36 administrative staff units for enrollment of not more than five
37 students, plus one-tenth of a certificated instructional staff unit for
38 each additional student enrolled;

1 (e) For specified enrollments in districts enrolling more than
2 twenty-five but not more than one hundred average annual full-time
3 equivalent students in grades K-8, and for small school plants within
4 any school district which enroll more than twenty-five average annual
5 full-time equivalent students in grades K-8 and have been judged to be
6 remote and necessary by the state board of education:

7 (i) For enrollment of up to sixty annual average full-time
8 equivalent students in grades K-6, 2.76 certificated instructional
9 staff units and 0.24 certificated administrative staff units; and

10 (ii) For enrollment of up to twenty annual average full-time
11 equivalent students in grades 7 and 8, 0.92 certificated instructional
12 staff units and 0.08 certificated administrative staff units;

13 (f) For districts operating no more than two high schools with
14 enrollments of less than three hundred average annual full-time
15 equivalent students, for enrollment in grades 9-12 in each such school,
16 other than alternative schools:

17 (i) For remote and necessary schools enrolling students in any
18 grades 9-12 but no more than twenty-five average annual full-time
19 equivalent students in grades K-12, four and one-half certificated
20 instructional staff units and one-quarter of a certificated
21 administrative staff unit;

22 (ii) For all other small high schools under this subsection, nine
23 certificated instructional staff units and one-half of a certificated
24 administrative staff unit for the first sixty average annual full time
25 equivalent students, and additional staff units based on a ratio of
26 0.8732 certificated instructional staff units and 0.1268 certificated
27 administrative staff units per each additional forty-three and one-half
28 average annual full time equivalent students.

29 Units calculated under (f)(ii) of this subsection shall be reduced
30 by certificated staff units at the rate of forty-six certificated
31 instructional staff units and four certificated administrative staff
32 units per thousand vocational full-time equivalent students;

33 (g) For each nonhigh school district having an enrollment of more
34 than seventy annual average full-time equivalent students and less than
35 one hundred eighty students, operating a grades K-8 program or a grades
36 1-8 program, an additional one-half of a certificated instructional
37 staff unit; and

1 (h) For each nonhigh school district having an enrollment of more
2 than fifty annual average full-time equivalent students and less than
3 one hundred eighty students, operating a grades K-6 program or a grades
4 1-6 program, an additional one-half of a certificated instructional
5 staff unit.

6 (3) Allocations for classified salaries for the 2005-06 and 2006-07
7 school years shall be calculated using formula-generated classified
8 staff units determined as follows:

9 (a) For enrollments generating certificated staff unit allocations
10 under subsection (2)(d) through (h) of this section, one classified
11 staff unit for each three certificated staff units allocated under such
12 subsections;

13 (b) For all other enrollment in grades K-12, including vocational
14 full-time equivalent enrollments, one classified staff unit for each
15 sixty average annual full-time equivalent students; and

16 (c) For each nonhigh school district with an enrollment of more
17 than fifty annual average full-time equivalent students and less than
18 one hundred eighty students, an additional one-half of a classified
19 staff unit.

20 (4) Fringe benefit allocations shall be calculated at a rate of
21 11.22 percent in the 2005-06 school year and 11.22 percent in the 2006-
22 07 school year for certificated salary allocations provided under
23 subsection (2) of this section, and a rate of 14.84 percent in the
24 2005-06 school year and 14.84 percent in the 2006-07 school year for
25 classified salary allocations provided under subsection (3) of this
26 section.

27 (5) Insurance benefit allocations shall be calculated at the
28 maintenance rate specified in section 504(2) of this act, based on the
29 number of benefit units determined as follows:

30 (a) The number of certificated staff units determined in subsection
31 (2) of this section; and

32 (b) The number of classified staff units determined in subsection
33 (3) of this section multiplied by 1.152. This factor is intended to
34 adjust allocations so that, for the purposes of distributing insurance
35 benefits, full-time equivalent classified employees may be calculated
36 on the basis of 1440 hours of work per year, with no individual
37 employee counted as more than one full-time equivalent.

1 (6)(a) For nonemployee-related costs associated with each
2 certificated staff unit allocated under subsection (2)(a), (b), and (d)
3 through (h) of this section, there shall be provided a maximum of
4 \$9,112 per certificated staff unit in the 2005-06 school year and a
5 maximum of \$9,285 per certificated staff unit in the 2006-07 school
6 year.

7 (b) For nonemployee-related costs associated with each vocational
8 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
9 section, there shall be provided a maximum of \$22,377 per certificated
10 staff unit in the 2005-06 school year and a maximum of \$22,802 per
11 certificated staff unit in the 2006-07 school year.

12 (c) For nonemployee-related costs associated with each vocational
13 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
14 section, there shall be provided a maximum of \$17,362 per certificated
15 staff unit in the 2005-06 school year and a maximum of \$17,692 per
16 certificated staff unit in the 2006-07 school year.

17 (7) Allocations for substitute costs for classroom teachers shall
18 be distributed at a maintenance rate of \$531.09 for the 2005-06 and
19 2006-07 school years per allocated classroom teachers exclusive of
20 salary increase amounts provided in section 504 of this act. Solely
21 for the purposes of this subsection, allocated classroom teachers shall
22 be equal to the number of certificated instructional staff units
23 allocated under subsection (2) of this section, multiplied by the ratio
24 between the number of actual basic education certificated teachers and
25 the number of actual basic education certificated instructional staff
26 reported statewide for the prior school year.

27 (8) Any school district board of directors may petition the
28 superintendent of public instruction by submission of a resolution
29 adopted in a public meeting to reduce or delay any portion of its basic
30 education allocation for any school year. The superintendent of public
31 instruction shall approve such reduction or delay if it does not impair
32 the district's financial condition. Any delay shall not be for more
33 than two school years. Any reduction or delay shall have no impact on
34 levy authority pursuant to RCW 84.52.0531 and local effort assistance
35 pursuant to chapter 28A.500 RCW.

36 (9) The superintendent may distribute a maximum of \$7,622,000
37 outside the basic education formula during fiscal years 2006 and 2007
38 as follows:

1 (a) For fire protection for school districts located in a fire
2 protection district as now or hereafter established pursuant to chapter
3 52.04 RCW, a maximum of \$513,000 may be expended in fiscal year 2006
4 and a maximum of \$523,000 may be expended in fiscal year 2007;

5 (b) For summer vocational programs at skills centers, a maximum of
6 \$2,035,000 may be expended for the 2006 fiscal year and a maximum of
7 \$2,035,000 for the 2007 fiscal year;

8 (c) A maximum of \$365,000 may be expended for school district
9 emergencies;

10 (d) A maximum of \$485,000 each fiscal year may be expended for
11 programs providing skills training for secondary students who are
12 enrolled in extended day school-to-work programs, as approved by the
13 superintendent of public instruction. The funds shall be allocated at
14 a rate not to exceed \$500 per full-time equivalent student enrolled in
15 those programs; and

16 (e) \$394,000 of the general fund--state appropriation for fiscal
17 year 2006 and \$787,000 of the general fund--state appropriation for
18 fiscal year 2007 are provided solely for the implementation of
19 Substitute Senate Bill No. 5717 (skills centers). If the bill is not
20 enacted before June 30, 2005, the amounts provided in this subsection
21 shall lapse. The funding provided in this subsection shall be used as
22 an incentive to encourage school districts to increase enrollment in
23 vocational skills centers. Up to \$500 for each full-time equivalent
24 student may be proportionally distributed to a school district or
25 school districts increasing skills centers enrollment above the levels
26 in the 2004-05 school year. The office of the superintendent of public
27 instruction shall develop criteria for awarding incentive grants
28 pursuant to this subsection. The total amount allocated pursuant to
29 this subsection shall be limited to \$1,181,000 for the 2005-07
30 biennium.

31 (10) For purposes of RCW 84.52.0531, the increase per full-time
32 equivalent student is 5.2 percent from the 2004-05 school year to the
33 2005-06 school year and 3.4 percent from the 2005-06 school year to the
34 2006-07 school year.

35 (11) If two or more school districts consolidate and each district
36 was receiving additional basic education formula staff units pursuant
37 to subsection (2)(b) through (h) of this section, the following shall
38 apply:

1 (a) For three school years following consolidation, the number of
2 basic education formula staff units shall not be less than the number
3 of basic education formula staff units received by the districts in the
4 school year prior to the consolidation; and

5 (b) For the fourth through eighth school years following
6 consolidation, the difference between the basic education formula staff
7 units received by the districts for the school year prior to
8 consolidation and the basic education formula staff units after
9 consolidation pursuant to subsection (2)(a) through (h) of this section
10 shall be reduced in increments of twenty percent per year.

11 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
12 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION.** (1) The following
13 calculations determine the salaries used in the general fund
14 allocations for certificated instructional, certificated
15 administrative, and classified staff units under section 502 of this
16 act:

17 (a) Salary allocations for certificated instructional staff units
18 shall be determined for each district by multiplying the district's
19 certificated instructional total base salary shown on LEAP Document 12E
20 by the district's average staff mix factor for certificated
21 instructional staff in that school year, computed using LEAP Document
22 1Sb; and

23 (b) Salary allocations for certificated administrative staff units
24 and classified staff units for each district shall be based on the
25 district's certificated administrative and classified salary allocation
26 amounts shown on LEAP Document 12E.

27 (2) For the purposes of this section:

28 (a) "LEAP Document 1Sb" means the computerized tabulation
29 establishing staff mix factors for certificated instructional staff
30 according to education and years of experience, as developed by the
31 legislative evaluation and accountability program committee on March
32 28, 2005, at 10:00 hours; and

33 (b) "LEAP Document 12E" means the computerized tabulation of 2005-
34 06 and 2006-07 school year salary allocations for certificated
35 administrative staff and classified staff and derived and total base
36 salaries for certificated instructional staff as developed by the

1 legislative evaluation and accountability program committee on March
 2 28, 2005, at 10:15 hours.

3 (3) Incremental fringe benefit factors shall be applied to salary
 4 adjustments at a rate of 10.58 percent for school year 2005-06 and
 5 10.58 percent for school year 2006-07 for certificated staff and for
 6 classified staff 11.34 percent for school year 2005-06 and 11.34
 7 percent for the 2006-07 school year.

8 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
 9 allocation schedules for certificated instructional staff are
 10 established for basic education salary allocations:

11 K-12 Salary Allocation Schedule For Certificated Instructional Staff

12 2005-06 School Year

13	Years of									MA+90
14	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	or PHD
15	0	30,383	31,204	32,054	32,906	35,640	37,401	36,426	39,161	40,924
16	1	30,792	31,624	32,485	33,375	36,137	37,889	36,831	39,594	41,345
17	2	31,181	32,022	32,892	33,850	36,605	38,375	37,239	39,994	41,764
18	3	31,583	32,431	33,311	34,299	37,049	38,861	37,626	40,373	42,187
19	4	31,977	32,862	33,747	34,770	37,536	39,361	38,031	40,796	42,623
20	5	32,384	33,273	34,167	35,247	38,002	39,864	38,442	41,199	43,061
21	6	32,802	33,672	34,596	35,729	38,472	40,344	38,864	41,607	43,478
22	7	33,536	34,420	35,356	36,551	39,334	41,258	39,655	42,437	44,362
23	8	34,612	35,543	36,502	37,796	40,616	42,611	40,899	43,720	45,714
24	9		36,707	37,713	39,054	41,940	44,002	42,156	45,044	47,106
25	10			38,938	40,376	43,301	45,432	43,479	46,405	48,535
26	11				41,737	44,726	46,900	44,840	47,830	50,003
27	12				43,055	46,189	48,428	46,255	49,292	51,532
28	13					47,688	49,993	47,720	50,791	53,096
29	14					49,194	51,618	49,227	52,396	54,721
30	15					50,474	52,961	50,507	53,758	56,144
31	16 or more					51,483	54,019	51,517	54,833	57,266

33 K-12 Salary Allocation Schedule For Certificated Instructional Staff

34 2006-07 School Year

1	Years of									MA+90
2	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	or PHD
3	0	30,900	31,735	32,599	33,466	36,247	38,038	37,046	39,827	41,620
4	1	31,316	32,162	33,038	33,942	36,752	38,534	37,458	40,268	42,048
5	2	31,712	32,566	33,451	34,426	37,228	39,028	37,873	40,674	42,475
6	3	32,121	32,983	33,878	34,883	37,679	39,523	38,266	41,060	42,905
7	4	32,521	33,421	34,321	35,362	38,174	40,031	38,678	41,491	43,348
8	5	32,935	33,840	34,748	35,846	38,649	40,543	39,097	41,900	43,794
9	6	33,360	34,245	35,185	36,337	39,127	41,031	39,526	42,315	44,218
10	7	34,107	35,005	35,957	37,173	40,003	41,960	40,330	43,159	45,116
11	8	35,201	36,148	37,123	38,439	41,307	43,336	41,594	44,464	46,492
12	9		37,332	38,355	39,718	42,654	44,751	42,873	45,810	47,908
13	10			39,601	41,063	44,038	46,205	44,219	47,194	49,361
14	11				42,448	45,487	47,698	45,603	48,644	50,853
15	12				43,788	46,975	49,252	47,042	50,131	52,409
16	13					48,499	50,844	48,532	51,655	54,000
17	14					50,031	52,496	50,065	53,287	55,652
18	15					51,333	53,862	51,366	54,673	57,099
19	16 or more					52,359	54,938	52,393	55,766	58,241

20 (b) As used in this subsection, the column headings "BA+(N)" refer
21 to the number of credits earned since receiving the baccalaureate
22 degree.

23 (c) For credits earned after the baccalaureate degree but before
24 the masters degree, any credits in excess of forty-five credits may be
25 counted after the masters degree. Thus, as used in this subsection,
26 the column headings "MA+(N)" refer to the total of:

27 (i) Credits earned since receiving the masters degree; and

28 (ii) Any credits in excess of forty-five credits that were earned
29 after the baccalaureate degree but before the masters degree.

30 (5) For the purposes of this section:

31 (a) "BA" means a baccalaureate degree.

32 (b) "MA" means a masters degree.

33 (c) "PHD" means a doctorate degree.

34 (d) "Years of service" shall be calculated under the same rules
35 adopted by the superintendent of public instruction.

36 (e) "Credits" means college quarter hour credits and equivalent in-

1 service credits computed in accordance with RCW 28A.415.020 and
2 28A.415.023.

3 (6) No more than ninety college quarter-hour credits received by
4 any employee after the baccalaureate degree may be used to determine
5 compensation allocations under the state salary allocation schedule and
6 LEAP documents referenced in this act, or any replacement schedules and
7 documents, unless:

- 8 (a) The employee has a masters degree; or
- 9 (b) The credits were used in generating state salary allocations
10 before January 1, 1992.

11 (7) The certificated instructional staff base salary specified for
12 each district in LEAP Document 12E and the salary schedules in
13 subsection (4)(a) of this section include two learning improvement
14 days. A school district is eligible for the learning improvement day
15 funds only if the learning improvement days have been added to the 180-
16 day contract year. If fewer days are added, the additional learning
17 improvement allocation shall be adjusted accordingly. The additional
18 days shall be limited to specific activities identified in the state
19 required school improvement plan related to improving student learning
20 that are consistent with education reform implementation, and shall not
21 be considered part of basic education. The principal in each school
22 shall assure that the days are used to provide the necessary school-
23 wide, all staff professional development that is tied directly to the
24 school improvement plan. The school principal and the district
25 superintendent shall maintain documentation as to their approval of
26 these activities. The length of a learning improvement day shall not
27 be less than the length of a full day under the base contract. The
28 superintendent of public instruction shall ensure that school districts
29 adhere to the intent and purposes of this subsection.

30 (8) The salary allocation schedules established in this section are
31 for allocation purposes only except as provided in RCW 28A.400.200(2)
32 and subsection (7) of this section.

33 NEW SECTION. **Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC**
34 **INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

35	General Fund--State Appropriation (FY 2006)	\$76,714,000
36	General Fund--State Appropriation (FY 2007)	\$192,776,000
37	General Fund--Federal Appropriation	\$1,195,000

1 TOTAL APPROPRIATION \$270,685,000

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

4 (1) \$135,006,000 is provided for a cost of living adjustment of 1.2
5 percent effective September 1, 2005, and another 1.7 percent effective
6 September 1, 2006, for state formula staff units. The appropriations
7 include associated incremental fringe benefit allocations at rates of
8 10.58 percent for the 2005-06 school year and 10.58 percent for the
9 2006-07 school year for certificated staff and 11.34 percent for the
10 2005-06 school year and 11.34 percent for the 2006-07 school year for
11 classified staff.

12 (a) The appropriations in this section include the increased
13 portion of salaries and incremental fringe benefits for all relevant
14 state-funded school programs in part V of this act. Increases for
15 general apportionment (basic education) are based on the salary
16 allocation schedules and methodology in sections 502 and 503 of this
17 act. Increases for special education result from increases in each
18 district's basic education allocation per student. Increases for
19 educational service districts and institutional education programs are
20 determined by the superintendent of public instruction using the
21 methodology for general apportionment salaries and benefits in sections
22 502 and 503 of this act.

23 (b) The appropriations in this section provide cost of living and
24 incremental fringe benefit allocations based on formula adjustments as
25 follows:

	School Year	
	2005-06	2006-07
26 Pupil Transportation (per weighted pupil mile)	\$0.28	\$0.67
27 Highly Capable (per formula student)	\$2.96	\$7.21
28 Transitional Bilingual Education (per eligible bilingual student)	\$7.94	\$19.32
29 Learning Assistance (per formula student)	\$3.97	\$9.66

30 (c) The appropriations in this section include \$251,000 for fiscal
31 year 2006 and \$676,000 for fiscal year 2007 for salary increase
32 adjustments for substitute teachers.

33 (2) \$135,679,000 is provided for adjustments to insurance benefit
34 allocations. The maintenance rate for insurance benefit allocations is
35
36

1 \$582.47 per month for the 2005-06 and 2006-07 school years. The
 2 appropriations in this section provide for a rate increase to \$631.98
 3 per month for the 2005-06 school year and \$685.70 per month for the
 4 2006-07 school year. The adjustments to health insurance benefit
 5 allocations are at the following rates:

	School Year	
	2005-06	2006-07
8 Pupil Transportation (per weighted pupil mile)	\$0.45	\$0.94
9 Highly Capable (per formula student)	\$3.02	\$6.36
10 Transitional Bilingual Education (per eligible bilingual student)	\$8.01	\$16.71
11 Learning Assistance (per formula student)	\$6.30	\$13.13

12 (3) The rates specified in this section are subject to revision
 13 each year by the legislature.

14 **NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
 15 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

16 General Fund--State Appropriation (FY 2006)	\$243,160,000
17 General Fund--State Appropriation (FY 2007)	\$248,599,000
18 TOTAL APPROPRIATION	\$491,759,000

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

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

24 (2) A maximum of \$796,000 of this fiscal year 2006 appropriation
 25 and a maximum of \$812,000 of the fiscal year 2007 appropriation may be
 26 expended for regional transportation coordinators and related
 27 activities. The transportation coordinators shall ensure that data
 28 submitted by school districts for state transportation funding shall,
 29 to the greatest extent practical, reflect the actual transportation
 30 activity of each district.

31 (3) \$5,000 of the fiscal year 2006 appropriation and \$5,000 of the
 32 fiscal year 2007 appropriation are provided solely for the
 33 transportation of students enrolled in "choice" programs.
 34 Transportation shall be limited to low-income students who are
 35 transferring to "choice" programs solely for educational reasons.

1 (4) Allocations for transportation of students shall be based on
2 reimbursement rates of \$41.56 per weighted mile in the 2005-06 school
3 year and \$41.80 per weighted mile in the 2006-07 school year exclusive
4 of salary and benefit adjustments provided in section 504 of this act.
5 Allocations for transportation of students transported more than one
6 radius mile shall be based on weighted miles as determined by
7 superintendent of public instruction multiplied by the per mile
8 reimbursement rates for the school year pursuant to the formulas
9 adopted by the superintendent of public instruction. Allocations for
10 transportation of students living within one radius mile shall be based
11 on the number of enrolled students in grades kindergarten through five
12 living within one radius mile of their assigned school multiplied by
13 the per mile reimbursement rate for the school year multiplied by 1.29.

14 (5) For busses purchased between July 1, 2005, and June 30, 2007,
15 the office of superintendent of public instruction shall provide
16 reimbursement funding to a school district only after the
17 superintendent of public instruction determines that the school bus was
18 purchased from the list established pursuant to RCW 28A.160.195(2) or
19 a comparable competitive bid process based on the lowest price quote
20 based on similar bus categories to those used to establish the list
21 pursuant to RCW 28A.160.195. The competitive specifications shall meet
22 federal motor vehicle safety standards, minimum state specifications as
23 established by rule by the superintendent, and supported options as
24 determined by the superintendent in consultation with the regional
25 transportation coordinators of the educational service districts.

26 (6) Beginning with the 2005-06 school year, the superintendent of
27 public instruction shall base depreciation payments for school district
28 buses on the five-year average of prices in the appropriate category of
29 bus. In the final year on the depreciation schedule, the depreciation
30 payment shall be based on the current state price. The superintendent
31 may include a weighting or other adjustment factor in the averaging
32 formula to ease the transition from the current-price depreciation
33 system to the average depreciation system. Prior to making any
34 depreciation payment in the 2005-06 school year, the superintendent
35 shall notify the office of financial management and the fiscal
36 committees of the legislature of the specific depreciation formula to
37 be used. The replacement cost shall be based on the lowest quote in
38 the appropriate bus category for that school year.

1 (7) In addition to the allocations for transportation of students
2 in subsection (4) of this section, school districts shall be allocated
3 \$0.17 per weighted mile in the 2005-06 school year and \$0.17 per
4 weighted mile in the 2006-07 school year exclusive of salary and
5 benefit adjustments provided in section 504 of this act. For the
6 purposes of this subsection, the weighted miles will be calculated
7 based on the actual reported amounts for the 2004-05 school year. The
8 total amount allocated pursuant to this subsection shall be limited to
9 \$1,534,000 for the 2005-07 biennium.

10 (8) A maximum of \$50,000 of the fiscal year 2006 appropriation may
11 be expended for software programming costs associated with the
12 implementation of subsection (6) of this section.

13 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

15	General Fund--State Appropriation (FY 2006)	\$3,100,000
16	General Fund--State Appropriation (FY 2007)	\$3,100,000
17	General Fund--Federal Appropriation	\$287,403,000
18	TOTAL APPROPRIATION	\$293,603,000

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

21 (1) \$3,000,000 of the general fund--state appropriation for fiscal
22 year 2006 and \$3,000,000 of the general fund--state appropriation for
23 fiscal year 2007 are provided for state matching money for federal
24 child nutrition programs.

25 (2) \$100,000 of the general fund--state appropriation for fiscal
26 year 2006 and \$100,000 of the 2007 fiscal year appropriation are
27 provided for summer food programs for children in low-income areas.

28 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
29 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

30	General Fund--State Appropriation (FY 2006)	\$456,306,000
31	General Fund--State Appropriation (FY 2007)	\$464,586,000
32	General Fund--Federal Appropriation	\$435,453,000
33	TOTAL APPROPRIATION	\$1,356,345,000

34 The appropriations in this section are subject to the following
35 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
3 that special education students as a class receive their full share of
4 the general apportionment allocation accruing through sections 502 and
5 504 of this act. To the extent a school district cannot provide an
6 appropriate education for special education students under chapter
7 28A.155 RCW through the general apportionment allocation, it shall
8 provide services through the special education excess cost allocation
9 funded in this section.

10 (2)(a) The superintendent of public instruction shall use the
11 excess cost methodology developed and implemented for the 2001-02
12 school year using the S-275 personnel reporting system and all related
13 accounting requirements to ensure that:

- 14 (i) Special education students are basic education students first;
- 15 (ii) As a class, special education students are entitled to the
16 full basic education allocation; and
- 17 (iii) Special education students are basic education students for
18 the entire school day.

19 (b) The S-275 and accounting changes in effect since the 2001-02
20 school year shall supercede any prior excess cost methodologies and
21 shall be required of all school districts.

22 (3) Each fiscal year appropriation includes such funds as are
23 necessary to complete the school year ending in the fiscal year and for
24 prior fiscal year adjustments.

25 (4) The superintendent of public instruction shall distribute state
26 and federal funds to school districts based on two categories: The
27 optional birth through age two program for special education eligible
28 developmentally delayed infants and toddlers, and the mandatory special
29 education program for special education eligible students ages three to
30 twenty-one. A "special education eligible student" means a student
31 receiving specially designed instruction in accordance with a properly
32 formulated individualized education program.

33 (5)(a) For the 2005-06 and 2006-07 school years, the superintendent
34 shall make allocations to each district based on the sum of:

- 35 (i) A district's annual average headcount enrollment of
36 developmentally delayed infants and toddlers ages birth through two,
37 multiplied by the district's average basic education allocation per
38 full-time equivalent student, multiplied by 1.15; and

1 (ii) A district's annual average full-time equivalent basic
2 education enrollment multiplied by the funded enrollment percent
3 determined pursuant to subsection (6)(b) of this section, multiplied by
4 the district's average basic education allocation per full-time
5 equivalent student multiplied by 0.9309.

6 (b) For purposes of this subsection, "average basic education
7 allocation per full-time equivalent student" for a district shall be
8 based on the staffing ratios required by RCW 28A.150.260 and shall not
9 include enhancements, secondary vocational education, or small schools.

10 (6) The definitions in this subsection apply throughout this
11 section.

12 (a) "Annual average full-time equivalent basic education
13 enrollment" means the resident enrollment including students enrolled
14 through choice (RCW 28A.225.225) and students from nonhigh districts
15 (RCW 28A.225.210) and excluding students residing in another district
16 enrolled as part of an interdistrict cooperative program (RCW
17 28A.225.250).

18 (b) "Enrollment percent" means the district's resident special
19 education annual average enrollment, excluding the birth through age
20 two enrollment, as a percent of the district's annual average full-time
21 equivalent basic education enrollment.

22 Each district's general fund--state funded special education
23 enrollment shall be the lesser of the district's actual enrollment
24 percent or 12.7 percent.

25 (7) At the request of any interdistrict cooperative of at least 15
26 districts in which all excess cost services for special education
27 students of the districts are provided by the cooperative, the maximum
28 enrollment percent shall be calculated in accordance with subsection
29 (6)(b) of this section, and shall be calculated in the aggregate rather
30 than individual district units. For purposes of this subsection, the
31 average basic education allocation per full-time equivalent student
32 shall be calculated in the aggregate rather than individual district
33 units.

34 (8) To the extent necessary, \$18,945,000 of the general fund--state
35 appropriation and \$28,698,000 of the general fund--federal
36 appropriation are provided for safety net awards for districts with
37 demonstrated needs for special education funding beyond the amounts
38 provided in subsection (5) of this section. If safety net awards

1 exceed the amount appropriated in this subsection (8), the
2 superintendent shall expend all available federal discretionary funds
3 necessary to meet this need. Safety net funds shall be awarded by the
4 state safety net oversight committee subject to the following
5 conditions and limitations:

6 (a) The committee shall consider unmet needs for districts that can
7 convincingly demonstrate that all legitimate expenditures for special
8 education exceed all available revenues from state funding formulas.
9 In the determination of need, the committee shall also consider
10 additional available revenues from federal sources. Differences in
11 program costs attributable to district philosophy, service delivery
12 choice, or accounting practices are not a legitimate basis for safety
13 net awards.

14 (b) The committee shall then consider the extraordinary high cost
15 needs of one or more individual special education students.
16 Differences in costs attributable to district philosophy, service
17 delivery choice, or accounting practices are not a legitimate basis for
18 safety net awards.

19 (c) The maximum allowable indirect cost for calculating safety net
20 eligibility may not exceed the federal restricted indirect cost rate
21 for the district plus one percent.

22 (d) Safety net awards shall be adjusted based on the percent of
23 potential medicaid eligible students billed as calculated by the
24 superintendent in accordance with chapter 318, Laws of 1999.

25 (e) Safety net awards must be adjusted for any audit findings or
26 exceptions related to special education funding.

27 (9) The superintendent of public instruction may adopt such rules
28 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
31 of financial management and the fiscal committees of the legislature.

32 (10) 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
35 instruction;

36 (b) Staff of the office of the state auditor who shall be nonvoting
37 members of the committee; and

1 (c) One or more representatives from school districts or
2 educational service districts knowledgeable of special education
3 programs and funding.

4 (11) A maximum of \$100,000 of the general fund--federal
5 appropriation shall be expended to create a special education ombudsman
6 program within the office of superintendent of public instruction. The
7 purpose of the program is to provide support to parents, guardians,
8 educators, and students with disabilities. The program will provide
9 information to help families and educators understand state laws,
10 rules, and regulations, and access training and support, technical
11 information services, and mediation services. The ombudsman program
12 will provide data, information, and appropriate recommendations to the
13 office of superintendent of public instruction, school districts,
14 educational service districts, state need projects, and the parent and
15 teacher information center.

16 (12) The superintendent of public instruction, consistent with the
17 new federal IDEA reauthorization, shall continue to educate schools on
18 how to implement a birth-to-three program and the cost effectiveness
19 and learning benefits of early intervention.

20 (13) A maximum of \$678,000 may be expended from the general fund--
21 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
22 full-time equivalent aides at children's orthopedic hospital and
23 medical center. This amount is in lieu of money provided through the
24 home and hospital allocation and the special education program.

25 (14) \$1,000,000 of the general fund--federal appropriation is
26 provided for projects to provide special education students with
27 appropriate job and independent living skills, including work
28 experience where possible, to facilitate their successful transition
29 out of the public school system. The funds provided by this subsection
30 shall be from federal discretionary grants.

31 (15) The superintendent shall maintain the percentage of federal
32 flow-through to school districts at 85 percent. In addition to other
33 purposes, school districts may use increased federal funds for high-
34 cost students, for purchasing regional special education services from
35 educational service districts, and for staff development activities
36 particularly relating to inclusion issues.

37 (16) A maximum of \$1,200,000 of the general fund--federal

1 appropriation may be expended by the superintendent for projects
2 related to use of inclusion strategies by school districts for
3 provision of special education services.

4 (17) A school district may carry over from one year to the next
5 year up to 10 percent of the general fund--state funds allocated under
6 this program; however, carry over funds shall be expended in the
7 special education program.

8 **NEW SECTION. Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
9 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

10	General Fund--State Appropriation (FY 2006)	\$3,702,000
11	General Fund--State Appropriation (FY 2007)	\$3,702,000
12	TOTAL APPROPRIATION	\$7,404,000

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

15 (1) The educational service districts shall continue to furnish
16 financial services required by the superintendent of public instruction
17 and RCW 28A.310.190 (3) and (4).

18 (2) The educational service districts, at the request of the state
19 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may
20 receive and screen applications for school accreditation, conduct
21 school accreditation site visits pursuant to state board of education
22 rules, and submit to the state board of education post-site visit
23 recommendations for school accreditation. The educational service
24 districts may assess a cooperative service fee to recover actual plus
25 reasonable indirect costs for the purposes of this subsection.

26 **NEW SECTION. Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
27 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

28	General Fund--State Appropriation (FY 2006)	\$179,038,000
29	General Fund--State Appropriation (FY 2007)	\$191,051,000
30	TOTAL APPROPRIATION	\$370,089,000

31 **NEW SECTION. Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
32 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

33	General Fund--State Appropriation (FY 2006)	\$19,115,000
34	General Fund--State Appropriation (FY 2007)	\$19,620,000
35	TOTAL APPROPRIATION	\$38,735,000

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

3 (1) Each general fund--state fiscal year appropriation includes
4 such funds as are necessary to complete the school year ending in the
5 fiscal year and for prior fiscal year adjustments.

6 (2) State funding provided under this section is based on salaries
7 and other expenditures for a 220-day school year. The superintendent
8 of public instruction shall monitor school district expenditure plans
9 for institutional education programs to ensure that districts plan for
10 a full-time summer program.

11 (3) State funding for each institutional education program shall be
12 based on the institution's annual average full-time equivalent student
13 enrollment. Staffing ratios for each category of institution shall
14 remain the same as those funded in the 1995-97 biennium.

15 (4) The funded staffing ratios for education programs for juveniles
16 age 18 or less in department of corrections facilities shall be the
17 same as those provided in the 1997-99 biennium.

18 (5) \$219,000 of the general fund--state appropriation for fiscal
19 year 2006 and \$219,000 of the general fund--state appropriation for
20 fiscal year 2007 are provided solely to maintain at least one
21 certificated instructional staff and related support services at an
22 institution whenever the K-12 enrollment is not sufficient to support
23 one full-time equivalent certificated instructional staff to furnish
24 the educational program. The following types of institutions are
25 included: Residential programs under the department of social and
26 health services for developmentally disabled juveniles, programs for
27 juveniles under the department of corrections, and programs for
28 juveniles under the juvenile rehabilitation administration.

29 (6) Ten percent of the funds allocated for each institution may be
30 carried over from one year to the next.

31 NEW SECTION. **Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
32 **INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

33	General Fund--State Appropriation (FY 2006)	\$6,871,000
34	General Fund--State Appropriation (FY 2007)	\$6,905,000
35	TOTAL APPROPRIATION	\$13,776,000

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

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

4 (2) Allocations for school district programs for highly capable
5 students shall be distributed at a maximum rate of \$347.95 per funded
6 student for the 2005-06 school year and \$347.95 per funded student for
7 the 2006-07 school year, exclusive of salary and benefit adjustments
8 pursuant to section 504 of this act. The number of funded students
9 shall be a maximum of two percent of each district's full-time
10 equivalent basic education enrollment.

11 (3) \$170,000 of the fiscal year 2006 appropriation and \$170,000 of
12 the fiscal year 2007 appropriation are provided for the centrum program
13 at Fort Worden state park.

14 (4) \$90,000 of the fiscal year 2006 appropriation and \$90,000 of
15 the fiscal year 2007 appropriation are provided for the Washington
16 destination imagination network and future problem-solving programs.

17 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
18 **INSTRUCTION--FOR MISCELLANEOUS PURPOSES UNDER THE ELEMENTARY AND**
19 **SECONDARY SCHOOL IMPROVEMENT ACT AND THE NO CHILD LEFT BEHIND ACT**
20 General Fund--Federal Appropriation \$22,084,000

21 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
22 **INSTRUCTION--EDUCATION REFORM PROGRAMS**
23 General Fund--State Appropriation (FY 2006) \$36,995,000
24 General Fund--State Appropriation (FY 2007) \$33,255,000
25 General Fund--Federal Appropriation \$123,264,000
26 TOTAL APPROPRIATION \$193,514,000

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

29 (1) ASSESSMENT

30 \$20,030,000 of the general fund--state appropriation for fiscal
31 year 2006, \$16,272,000 of the general fund--state appropriation for
32 fiscal year 2007, and \$16,111,000 of the general fund--federal
33 appropriation are provided solely for development and implementation of
34 the Washington assessments of student learning (WASL), including
35 development and implementation of retake assessments for high school
36 students who are not successful in one or more content areas of the

1 WASL and development of alternative assessments or appeals procedures
2 to implement the certificate of academic achievement. Within these
3 amounts, the superintendent of public instruction shall contract for
4 the early return of 10th grade student WASL results, on or around June
5 10th of each year.

6 (2) PROFESSIONAL DEVELOPMENT

7 (a) \$548,000 of the fiscal year 2006 general fund--state
8 appropriation and \$548,000 of the fiscal year 2007 general fund--state
9 appropriation are provided solely for training of paraprofessional
10 classroom assistants and certificated staff who work with classroom
11 assistants as provided in RCW 28A.415.310.

12 (b) \$2,348,000 of the general fund--state appropriation for fiscal
13 year 2006 and \$2,348,000 of the general fund--state appropriation for
14 fiscal year 2007 are provided solely for mentor teacher assistance,
15 including state support activities, under RCW 28A.415.250 and
16 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in
17 this subsection may be used each fiscal year to operate a mentor
18 academy to help districts provide effective training for peer mentors.
19 Funds for the teacher assistance program shall be allocated to school
20 districts based on the number of first year beginning teachers.

21 (c) \$705,000 of the general fund--state appropriation for fiscal
22 year 2006 and \$705,000 of the general fund--state appropriation for
23 fiscal year 2007 are provided solely for the leadership internship
24 program for superintendents, principals, and program administrators.

25 (d) \$977,000 of the general fund--state appropriation for fiscal
26 year 2006 and \$1,008,000 of the general fund--state appropriation for
27 fiscal year 2007 are provided solely for a salary bonus for teachers
28 who attain certification by the national board for professional
29 teaching standards subject to the following conditions and limitations:

30 (i) Teachers who attain certification by the national board during
31 the 2005-06 school year or the 2006-07 school year shall receive a one-
32 time bonus not to exceed \$3,500.

33 (ii) The one-time bonus shall be paid in a lump sum amount and
34 shall not be included in the definition of "earnable compensation"
35 under RCW 41.32.010(10).

36 (e) \$90,399,000 of the general fund--federal appropriation is
37 provided for preparing, training, and recruiting high quality teachers
38 and principals under Title II of the no child left behind act.

1 (3) SCHOOL IMPROVEMENT

2 (a) \$313,000 of the general fund--state appropriation for fiscal
3 year 2006 and \$313,000 of the general fund--state appropriation for
4 fiscal year 2007 are provided solely for a principal support program.
5 The office of the superintendent of public instruction may contract
6 with an independent organization to administer the program. The
7 program shall include: (i) Development of an individualized
8 professional growth plan for a new principal or principal candidate;
9 and (ii) participation of a mentor principal who works over a period of
10 between one and three years with the new principal or principal
11 candidate to help him or her build the skills identified as critical to
12 the success of the professional growth plan. Within the amounts
13 provided, \$50,000 per year shall be used to support additional
14 participation of secondary principals.

15 (b) \$3,046,000 of the general fund--state appropriation for fiscal
16 year 2006 and \$3,046,000 of the general fund--state appropriation for
17 fiscal year 2007 are provided solely to the office of the
18 superintendent of public instruction for focused assistance. The
19 office of the superintendent of public instruction shall conduct
20 educational audits of low-performing schools and enter into performance
21 agreements between school districts and the office to implement the
22 recommendations of the audit and the community. Each educational audit
23 shall include recommendations for best practices and ways to address
24 identified needs and shall be presented to the community in a public
25 meeting to seek input on ways to implement the audit and its
26 recommendations.

27 (c) \$1,764,000 of the general fund--state appropriation for fiscal
28 year 2006 and \$1,764,000 of the general fund--state appropriation for
29 fiscal year 2007 are provided solely for the mathematics helping corps
30 subject to the following conditions and limitations:

31 (i) In order to increase the availability and quality of technical
32 mathematics assistance statewide, the superintendent of public
33 instruction shall employ mathematics school improvement specialists to
34 provide assistance to schools and districts. The specialists shall be
35 hired by and work under the direction of a statewide school improvement
36 coordinator. The mathematics improvement specialists shall not be
37 permanent employees of the superintendent of public instruction.

1 (ii) The school improvement specialists shall provide the
2 following:

3 (A) Assistance to schools to disaggregate student performance data
4 and develop improvement plans based on those data;

5 (B) Consultation with schools and districts concerning their
6 performance on the Washington assessment of student learning and other
7 assessments emphasizing the performance on the mathematics assessments;

8 (C) Consultation concerning curricula that aligns with the
9 essential academic learning requirements emphasizing the academic
10 learning requirements for mathematics, the Washington assessment of
11 student learning, and meets the needs of diverse learners;

12 (D) Assistance in the identification and implementation of
13 research-based instructional practices in mathematics;

14 (E) Staff training that emphasizes effective instructional
15 strategies and classroom-based assessment for mathematics;

16 (F) Assistance in developing and implementing family and community
17 involvement programs emphasizing mathematics; and

18 (G) Other assistance to schools and school districts intended to
19 improve student mathematics learning.

20 (d) \$16,758,000 of the general fund--federal appropriation is
21 provided for the reading first program under Title I of the no child
22 left behind act.

23 (e) A maximum of \$250,000 of the general fund--state appropriation
24 for fiscal year 2006 and a maximum of \$250,000 of the general fund--
25 state appropriation for fiscal year 2007 are provided for summer
26 accountability institutes offered by the superintendent of public
27 instruction. The institutes shall provide school district staff with
28 training in the analysis of student assessment data, information
29 regarding successful district and school teaching models, research on
30 curriculum and instruction, and planning tools for districts to improve
31 instruction in reading, mathematics, language arts, social studies,
32 including civics, and guidance and counseling. The superintendent of
33 public instruction shall emphasize issues of high school reform and
34 mathematics instruction when offering summer institute programs
35 supported by funds provided in this subsection.

36 (f) \$515,000 of the general fund--state appropriation for fiscal
37 year 2006 and \$515,000 of the general fund--state appropriation for
38 fiscal year 2007 are provided for the evaluation of reading and

1 mathematics textbooks, other instructional materials, and diagnostic
2 tools to determine the extent to which they are aligned with the state
3 standards. A scorecard of the analysis shall be made available to
4 school districts. The superintendent shall also develop and
5 disseminate information on essential components of comprehensive,
6 school-based math and reading programs and shall develop and
7 disseminate grade level expectations for reading and math which shall
8 include professional development modules and web-based materials.

9 (4) STUDENT SUPPORTS

10 (a) \$2,500,000 of the general fund--state appropriation for fiscal
11 year 2006 and \$2,500,000 of the general fund--state appropriation for
12 fiscal year 2007 are provided solely for the meals for kids program
13 under RCW 28A.235.145 through 28A.235.155.

14 (b) \$3,594,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$3,594,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely for grants to school districts to
17 provide a continuum of care for children and families to help children
18 become ready to learn. Grant proposals from school districts shall
19 contain local plans designed collaboratively with community service
20 providers. If a continuum of care program exists in the area in which
21 the school district is located, the local plan shall provide for
22 coordination with existing programs to the greatest extent possible.
23 Grant funds shall be allocated pursuant to RCW 70.190.040.

24 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
25 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

26	General Fund--State Appropriation (FY 2006)	\$59,794,000
27	General Fund--State Appropriation (FY 2007)	\$63,290,000
28	General Fund--Federal Appropriation	\$45,561,000
29	TOTAL APPROPRIATION	\$168,645,000

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

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

35 (2) The superintendent shall distribute a maximum of \$759.62 per
36 eligible bilingual student in the 2005-06 school year and \$759.62 in

1 the 2006-07 school year, exclusive of salary and benefit adjustments
2 provided in section 504 of this act.

3 (3) The superintendent may withhold up to 1.5 percent of the school
4 year allocations to school districts in subsection (2) of this section,
5 and adjust the per eligible pupil rates in subsection (2) of this
6 section accordingly, solely for the central provision of assessments as
7 provided in RCW 28A.180.090 (1) and (2).

8 (4) \$70,000 of the amounts appropriated in this section are
9 provided solely to develop a system for the tracking of current and
10 former transitional bilingual program students.

11 (5) The general fund--federal appropriation in this section is
12 provided for migrant education under Title I Part C and English
13 language acquisition, and language enhancement grants under Title III
14 of the elementary and secondary education act.

15 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
16 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

17	General Fund--State Appropriation (FY 2006)	\$72,958,000
18	General Fund--State Appropriation (FY 2007)	\$75,282,000
19	General Fund--Federal Appropriation	\$343,227,000
20	TOTAL APPROPRIATION	\$491,467,000

21 (1) The general fund--state appropriations in this section are
22 subject to the following conditions and limitations:

23 (a) Each general fund--state fiscal year appropriation includes
24 such funds as are necessary to complete the school year ending in the
25 fiscal year and for prior fiscal year adjustments.

26 (b) Funding for school district learning assistance programs shall
27 be allocated at maximum rates of \$458.93 per funded unit for the
28 2005-06 school year and \$459.84 per funded unit for the 2006-07 school
29 year exclusive of salary and benefit adjustments provided under section
30 504 of this act.

31 (c) For purposes of this section, "test results" refers to the
32 district results from the 2004-05 school year for a norm-referenced
33 test administered in the specified grade level. The norm-referenced
34 test results used for the third and sixth grade calculations shall be
35 consistent with the third and sixth grade tests required under RCW
36 28A.230.190 and 28A.230.193.

1 (d) A school district's general fund--state funded units for the
2 2005-06 and 2006-07 school years shall be the sum of the following:

3 (i) The district's full-time equivalent enrollment in grades K-6,
4 multiplied by the 5-year average 4th grade lowest quartile test results
5 as adjusted for funding purposes in the school years prior to 1999-
6 2000, multiplied by 0.512. As the 3rd grade test becomes available, it
7 shall be phased into the 5-year average on a 1-year lag;

8 (ii) The district's full-time equivalent enrollment in grades 7-9,
9 multiplied by the 5-year average 8th grade lowest quartile test results
10 as adjusted for funding purposes in the school years prior to 1999-
11 2000, multiplied by 0.512. As the 6th grade test becomes available, it
12 shall be phased into the 5-year average for these grades on a 1-year
13 lag;

14 (iii) The district's full-time equivalent enrollment in grades
15 10-11 multiplied by the 5-year average 11th grade lowest quartile test
16 results, multiplied by 0.512. As the 9th grade test becomes available,
17 it shall be phased into the 5-year average for these grades on a 1-year
18 lag;

19 (iv) The district's full-time equivalent enrollment in grades K-12
20 times the district's percentage of October headcount enrollment in
21 grades K-12 eligible for free or reduced price lunch in the prior
22 school year multiplied by 18.0 percent;

23 (v) If, in the prior school year, the district's percentage of
24 October headcount enrollment in grades K-12 eligible for free and
25 reduced price lunch exceeded the state average, subtract the state
26 average percentage of students eligible for free and reduced price
27 lunch from the district's percentage and multiply the result by the
28 district's K-12 annual average full-time equivalent enrollment for the
29 current school year multiplied by 25.5 percent; and

30 (vi) Increases in a school district's allocation above the 2004-05
31 school year level shall be given first consideration for use in
32 secondary schools.

33 (e) In addition to amounts allocated in (b) and (d) of this
34 subsection, an additional amount shall be allocated to a school
35 district for each school year in which the district's allocation is
36 less than the amount the district received for the general fund--state
37 learning assistance program allocation in the 2004-05 school year. The

1 amount of the allocation in this section shall be sufficient to
2 maintain the 2004-05 school year allocation.

3 (2) The general fund--federal appropriation in this section is
4 provided for Title I Part A allocations of the no child left behind act
5 of 2001.

6 (3) A school district may carry over from one year to the next up
7 to 10 percent of the general fund--state funds allocated under this
8 program; however, carryover funds shall be expended for the learning
9 assistance program.

10 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
11 **INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM**

12 Student Achievement Account--State Appropriation \$629,356,000

13 The appropriation in this section is subject to the following
14 conditions and limitations:

15 (1) Funding for school district student achievement programs shall
16 be allocated at a maximum rate of \$300.00 per FTE student for the 2005-
17 06 school year and \$375.00 per FTE student for the 2006-07 school year.
18 For the purposes of this section and in accordance with RCW 84.52.068,
19 FTE student refers to the annual average full-time equivalent
20 enrollment of the school district in grades kindergarten through twelve
21 for the prior school year.

22 (2) The appropriation is allocated for the following uses as
23 specified in RCW 28A.505.210:

24 (a) To reduce class size by hiring certificated elementary
25 classroom teachers in grades K-4 and paying nonemployee-related costs
26 associated with those new teachers;

27 (b) To make selected reductions in class size in grades 5-12, such
28 as small high school writing classes;

29 (c) To provide extended learning opportunities to improve student
30 academic achievement in grades K-12, including, but not limited to,
31 extended school year, extended school day, before-and-after-school
32 programs, special tutoring programs, weekend school programs, summer
33 school, and all-day kindergarten;

34 (d) To provide additional professional development for educators
35 including additional paid time for curriculum and lesson redesign and
36 alignment, training to ensure that instruction is aligned with state
37 standards and student needs, reimbursement for higher education costs

1 related to enhancing teaching skills and knowledge, and mentoring
2 programs to match teachers with skilled, master teachers. The funding
3 shall not be used for salary increases or additional compensation for
4 existing teaching duties, but may be used for extended year and
5 extended day teaching contracts;

6 (e) To provide early assistance for children who need
7 prekindergarten support in order to be successful in school; or

8 (f) To provide improvements or additions to school building
9 facilities which are directly related to the class size reductions and
10 extended learning opportunities under (a) through (c) of this
11 subsection (2).

12 (3) \$138,238,000 of the student achievement account--state
13 appropriation is provided solely for the implementation of Senate Bill
14 No. 6096 (generating new tax revenue for education funding). If the
15 bill is not enacted before June 30, 2005, the amount provided in this
16 subsection shall lapse.

17 (4) The superintendent of public instruction shall distribute the
18 school year allocation according to the monthly apportionment schedule
19 defined in RCW 28A.510.250.

20 NEW SECTION. **Sec. 517. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR**
21 **ADJUSTMENTS.** State general fund and state student achievement fund
22 appropriations provided to the superintendent of public instruction for
23 state entitlement programs in the public schools in this part V of this
24 act may be expended as needed by the superintendent for adjustments to
25 apportionment for prior fiscal periods. Recoveries of state general
26 fund moneys from school districts and educational service districts for
27 a prior fiscal period shall be made as reductions in apportionment
28 payments for the current fiscal period and shall be shown as prior year
29 adjustments on apportionment reports for the current period. Such
30 recoveries shall not be treated as revenues to the state, but as a
31 reduction in the amount expended against the appropriation for the
32 current fiscal period.

33 NEW SECTION. **Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC**
34 **INSTRUCTION.** Appropriations made in this act to the office of
35 superintendent of public instruction shall initially be allotted as

1 required by this act. Subsequent allotment modifications shall not
2 include transfers of moneys between sections of this act.

(End of part)

PART VI
HIGHER EDUCATION

NEW SECTION. **Sec. 601.** The appropriations in sections 603 through 609 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 603 through 609 of this act.

(2)(a) The salary increases provided or referenced in this subsection and described in sections 938 through 968 of this act shall be the only allowable salary increases provided at institutions of higher education, excluding increases associated with normally occurring promotions and increases related to faculty and professional staff retention, and excluding increases associated with employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1).

(b) For employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1), salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(c) Each institution of higher education receiving appropriations for salary increases under sections 604 through 609 of this act may provide additional salary increases from other sources to instructional and research faculty, exempt professional staff, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Any additional salary increase granted under the authority of this subsection (2)(c) shall not be included in an institution's salary base for future state funding. It is the intent of the legislature that general fund--state support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (2)(c).

(d) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes.

1 Institutions of higher education shall report personnel data to the
2 department of personnel for inclusion in the department's data
3 warehouse. Uniform reporting procedures shall be established by the
4 department of personnel for use by the reporting institutions,
5 including provisions for common job classifications and common
6 definitions of full-time equivalent staff. Annual contract amounts,
7 number of contract months, and funding sources shall be consistently
8 reported for employees under contract.

9 (3) The tuition fees, as defined in chapter 28B.15 RCW, charged to
10 full-time students at the state's institutions of higher education for
11 the 2005-06 and 2006-07 academic years, other than the summer term,
12 shall be adjusted by the governing boards of the state universities,
13 regional universities, The Evergreen State College, and the state board
14 for community and technical colleges. Tuition fees may be increased in
15 excess of the fiscal growth factor.

16 For the 2005-06 academic year, the governing boards of the state
17 universities may implement an increase no greater than seven percent
18 over tuition fees charged to full-time resident undergraduate students
19 for the 2004-05 academic year. The governing boards of the regional
20 universities and The Evergreen State College may implement an increase
21 no greater than six percent over tuition fees charged to full-time
22 resident undergraduate students for the 2004-05 academic year. The
23 state board for community and technical colleges may implement an
24 increase no greater than five percent over tuition fees charged to
25 full-time resident students for the 2004-05 academic year.

26 For the 2006-07 academic year, the governing boards of the state
27 universities may implement an increase no greater than seven percent
28 over tuition fees charged to full-time resident undergraduate students
29 for the 2005-06 academic year. The governing boards of the regional
30 universities and The Evergreen State College may implement an increase
31 no greater than six percent over tuition fees charged to full-time
32 resident undergraduate students for the 2005-06 academic year. The
33 state board for community and technical colleges may implement an
34 increase no greater than five percent over tuition fees charged to
35 full-time resident students for the 2005-06 academic year.

36 (4) For the 2005-07 biennium, the state board for community and
37 technical colleges may increase tuition fees differentially based on
38 student credit hour load at their discretion.

1 (5) For the 2005-07 biennium, the governing boards and the state
2 board may adjust full-time operating fees for factors that may include
3 time of day and day of week, as well as delivery method and campus, to
4 encourage full use of the state's educational facilities and resources.

5 (6) Technical colleges may increase their building fee in excess of
6 the fiscal growth factor until parity is reached with the community
7 colleges.

8 (7) In addition to waivers granted under the authority of RCW
9 28B.15.910, the governing boards and the state board may waive all or
10 a portion of operating fees for any student. State general fund
11 appropriations shall not be provided to replace tuition and fee revenue
12 foregone as a result of waivers granted under this subsection.

13 (8) Pursuant to RCW 43.135.055, institutions of higher education
14 receiving appropriations under sections 603 through 609 of this act are
15 authorized to increase summer term tuition in excess of the fiscal
16 growth factor during the 2005-07 biennium. Tuition levels increased
17 pursuant to this subsection shall not exceed the per credit hour rate
18 calculated from the academic year tuition levels adopted under this
19 act.

20 (9) Pursuant to RCW 43.135.055, community and technical colleges
21 are authorized to increase services and activities fee charges in
22 excess of the fiscal growth factor during the 2005-2007 biennium. The
23 services and activities fee charges increased pursuant to this
24 subsection shall not exceed the maximum level authorized by the state
25 board for community and technical colleges.

26 (10) Pursuant to RCW 43.135.055, the governing boards of the state
27 universities, regional universities, and The Evergreen State College
28 are authorized to increase application fees in excess of the fiscal
29 growth factor during the 2005-2007 biennium. The application fee
30 levels increased pursuant to this subsection shall not exceed fifty
31 dollars per application.

32 NEW SECTION. **Sec. 602.** (1) The appropriations in sections 603
33 through 609 of this act provide state general fund support for full-
34 time equivalent student enrollments at each institution of higher
35 education. Listed below are the annual full-time equivalent student
36 enrollments by institutions assumed in this act.

	2005-06	2006-07
	Annual	Annual
	Average	Average
University of Washington		
Main campus	33,165	33,473
Bothell branch	1,337	1,409
Tacoma branch	1,744	1,944
Washington State University		
Main campus	18,773	19,034
Tri-Cities branch	720	765
Vancouver branch	1,428	1,628
Central Washington University	8,313	8,627
Eastern Washington University	8,638	9,007
The Evergreen State College	4,044	4,155
Western Washington University	11,509	11,629
State Board for Community and Technical Colleges	130,915	132,976

(2) For the state universities, the number of full-time equivalent student enrollments enumerated in this section for the branch campuses are the minimum required enrollment levels for those campuses. At the start of an academic year, the governing board of a state university may transfer full-time equivalent student enrollments from the main campus to one or more branch campus. Intent notice shall be provided to the office of financial management and reassignment of funded enrollment is contingent upon satisfying data needs of the forecast division who is responsible to track and monitor state-supported college enrollment.

NEW SECTION. Sec. 603. FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund--State Appropriation (FY 2006)	\$573,379,000
General Fund--State Appropriation (FY 2007)	\$585,545,000
Administrative Contingency Account--State	

1	Appropriation	\$11,950,000
2	TOTAL APPROPRIATION	\$1,170,874,000

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

5 (1) The technical colleges may increase tuition and fees in excess
6 of the fiscal growth factor to conform with the percentage increase in
7 community college operating fees.

8 (2) \$540,000 of the general fund--state appropriation for fiscal
9 year 2006 and \$540,000 of the general fund--state appropriation for
10 fiscal year 2007 are provided solely for the displaced homemakers
11 program.

12 (3) \$50,000 of the general fund--state appropriation for fiscal
13 year 2006 and \$50,000 of the general fund--state appropriation for
14 fiscal year 2007 are provided solely for higher education student child
15 care matching grants under chapter 28B.135 RCW.

16 (4) \$28,761,000 of the general fund--state appropriation for fiscal
17 year 2006 and \$28,761,000 of the general fund--state appropriation for
18 fiscal year 2007 are provided solely as special funds for training and
19 related support services, including financial aid, as specified in
20 chapter 226, Laws of 1993 (employment and training for unemployed
21 workers). Funding is provided to support up to 6,200 full-time
22 equivalent students in each fiscal year.

23 (5) \$2,000,000 of the general fund--state appropriation for fiscal
24 year 2006 and \$2,000,000 of the general fund--state appropriation for
25 fiscal year 2007 are provided solely for basic skills education at
26 community and technical colleges and community-based providers. These
27 funds may be used to align or integrate adult basic education and
28 English as a second language courses with vocational training.

29 (6) The appropriations for higher education employee compensation
30 increases provided or referenced in this section and described in
31 sections 938 through 968 of this act are estimated to increase the
32 total per student funding by \$324 during the 2005-2007 biennium. This
33 increase in total per student funding is in addition to the tuition
34 revenues that will be generated and retained by the community and
35 technical colleges as a result of the tuition increases that are
36 authorized in section 601 of this act. Given these increases in core
37 funding, the state board for community and technical colleges shall, by

1 June 30, 2007, show demonstrable progress toward achieving the
2 following six-year programmatic goals:

3 (a) Increase the number of academic students who are eligible to
4 transfer to baccalaureate institutions;

5 (b) Increase the number of students prepared for work; and

6 (c) Increase the number of basic skills students who demonstrate
7 substantive skill gain.

8 Specific six-year targets for the goals stated in this subsection
9 shall be established by the state board and the office of financial
10 management and shall be determined based on the per student funding
11 level assumed in this act.

12 The state board for community and technical colleges shall provide
13 a summary of the progress and ongoing efforts toward meeting the
14 provisions of this section to the governor and the appropriate fiscal
15 and policy committees of the legislature prior to November 1, 2006.

16 (7) \$7,172,000 of the general fund--state appropriation for fiscal
17 year 2006 and \$14,343,000 of the general fund--state appropriation for
18 fiscal year 2007 are provided to increase budgeted enrollments by 1,572
19 student FTEs in academic year 2006 and an additional 1,572 student FTEs
20 in academic year 2007. \$2,904,000 of the general fund--state
21 appropriation for fiscal year 2006, \$5,816,000 of the general fund--
22 state appropriation for fiscal year 2007, and \$3,000,000 of the
23 administrative contingency account--state appropriation are provided
24 solely to increase enrollments by 488 student FTEs in academic year
25 2006 and an additional 489 student FTEs in academic year 2007 in high
26 demand fields as measured by both student and employer demand. The
27 state board for community and technical colleges shall track
28 enrollments, graduation rates, and job placement for each program that
29 receives high-demand enrollments using data provided by each recipient
30 institution. The board shall report on these outcomes on November 1st
31 of each fiscal year to the office of financial management and the
32 fiscal and higher education committees of the legislature. The
33 enrollment increases provided in this section shall be limited to new
34 students only and may not be used to pay for students currently
35 enrolled by the institutions.

36 (8) \$2,250,000 of the general fund--state appropriation for fiscal
37 year 2006 and \$2,250,000 of the general fund--state appropriation for
38 fiscal year 2007 are provided solely to increase salaries and related

1 benefits for part-time faculty. The board shall report by January 30,
2 2006, to the office of financial management and the appropriate fiscal
3 and policy committees of the legislature on (a) the distribution of
4 state funds, and (b) wage adjustments for part-time faculty.

5 (9) \$2,250,000 of the general fund--state appropriation for fiscal
6 year 2006 and \$2,250,000 of the general fund--state appropriation for
7 fiscal year 2007 are provided solely for faculty salary increments and
8 associated benefits and may be used in combination with salary and
9 benefit savings from faculty turnover to provide salary increments and
10 associated benefits for faculty who qualify through professional
11 development and training. To the extent general salary increase
12 funding is used to pay faculty increments, the general salary increase
13 shall be reduced by the same amount.

14 (10) \$50,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$50,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely to establish the southwest
17 Washington allied health and human services educational consortium at
18 Washington State University-Vancouver, Clark College, and Lower
19 Columbia College. Clark College shall serve as the fiscal agent of the
20 consortium. The consortium shall define the regional education and
21 training priorities for the health and human services industry,
22 reporting to the state legislature recommendations for meeting the
23 growth needs of southwest Washington.

24 (11) \$8,950,000 of the administrative contingency account--state
25 appropriation is provided solely for administration and customized
26 training contracts through the job skills program, which shall be made
27 available broadly and not to the exclusion of private nonprofit
28 baccalaureate degree granting institutions or vocational arts career
29 schools operating in Washington state who partner with a firm,
30 hospital, group, or industry association concerned with commerce,
31 trade, manufacturing, or the provision of services to train current or
32 prospective employees. The state board shall make an annual report by
33 January 1 of each fiscal year to the governor and appropriate policy
34 and fiscal committees of the legislature regarding the implementation
35 of this section listing the scope of grant awards, the distribution of
36 funds by educational sector and region of the state, and the successful
37 partnerships supported by these state funds.

1 NEW SECTION. **Sec. 604. FOR THE UNIVERSITY OF WASHINGTON**

2	General Fund--State Appropriation (FY 2006)	\$334,345,000
3	General Fund--State Appropriation (FY 2007)	\$338,534,000
4	General Fund--Private/Local Appropriation	\$300,000
5	Accident Account--State Appropriation	\$6,217,000
6	Medical Aid Account--State Appropriation	\$6,153,000
7	TOTAL APPROPRIATION	\$685,549,000

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

10 (1) \$165,000 of the general fund--state appropriation for fiscal
11 year 2006 and \$165,000 of the general fund--state appropriation for
12 fiscal year 2007 are provided solely for the implementation of the
13 Puget Sound work plan and agency action item UW-01.

14 (2) \$300,000 of the general fund--private/local appropriation is
15 provided solely for shellfish biotoxin monitoring as specified in
16 chapter 263, Laws of 2003 (SSB 6073, shellfish license fee).

17 (3) \$3,190,000 of the general fund--state appropriation for fiscal
18 year 2006 and \$6,380,000 of the general fund--state appropriation for
19 fiscal year 2007 are provided as the state subsidy for 616 new
20 enrollments at the Seattle campus, 400 new enrollments at the Tacoma
21 campus, and 144 new enrollments at the Bothell campus. The amounts
22 provided in this subsection are contingent upon the university
23 accepting applicants for transfer from Washington community and
24 technical colleges who meet the admission requirements of the
25 university in numbers consistent with the proportionality agreements
26 for specific campuses between the university and the state board for
27 community and technical colleges. The enrollment increases provided in
28 this section shall be limited to new students only and may not be used
29 to pay for students currently enrolled by the university.

30 (4) The appropriations for higher education employee compensation
31 increases provided or referenced in this section and described in
32 sections 938 through 968 of this act are estimated to increase the
33 total per student funding by \$585 during the 2005-2007 biennium. This
34 increase in total per student funding is in addition to the tuition
35 revenues that will be generated and retained by the university as a
36 result of the tuition increases that are authorized in section 601 of
37 this act. Given these increases in core funding, the University of

1 Washington shall, by June 30, 2007, show demonstrable progress toward
2 achieving the following six-year programmatic goals:

3 (a) Improve time to degree as measured by the percent of admitted
4 students who graduate within 125% of the credits required for a degree;

5 (b) Preserve access for low-income students as measured by the
6 percentage of total degrees awarded to Pell Grant recipients;

7 (c) Improve freshman retention rates;

8 (d) Improve and sustain the quality of its degree programs as
9 measured by the number of programs that are ranked in the top twenty
10 nationally;

11 (e) Sustain the quality of its research programs as measured by the
12 national ranking for federal research grants received; and

13 (f) Improve its ability to prepare students for the workforce as
14 measured by the job placement or graduate school acceptance rates among
15 graduates.

16 Specific six-year targets for the goals stated in this subsection
17 shall be established by the university, the office of financial
18 management, and the higher education coordinating board and shall be
19 determined based on the per student funding level assumed in this act.

20 On or before October 1, 2006, the university shall submit to the
21 higher education coordinating board a report that outlines the
22 institution's progress and ongoing efforts toward meeting the
23 provisions of this section. The higher education coordinating board
24 shall compile and analyze all responses and provide a summary to the
25 governor and the appropriate fiscal and policy committees of the
26 legislature prior to November 1, 2006.

27 (5) \$2,430,000 of the general fund--state appropriation for fiscal
28 year 2007 is provided solely to support research in life science
29 fields.

30 (6) \$350,000 of the general fund--state appropriation for fiscal
31 year 2006 and \$350,000 of the general fund--state appropriation for
32 fiscal year 2007 are provided solely to maintain the autism center at
33 the University of Washington-Tacoma campus. The facility will continue
34 to function as a satellite facility to the autism center at the
35 University of Washington medical center in Seattle and provide clinical
36 service and professional training.

37 (7) \$500,000 of the general fund--state appropriation for fiscal
38 year 2007 is provided solely to assist the transition of University of

1 Washington-Tacoma from a branch campus serving upper-division students,
2 to a four-year campus serving freshmen, sophomores, and upper-division
3 students. Funds may be used to develop curricula, recruit new faculty,
4 and expand student services. Consistent with the recommendations of
5 the higher education coordinating board, UW-Tacoma may begin enrolling
6 lower-division students beginning in fiscal year 2008.

7 (8) \$75,000 of the general fund--state appropriation for fiscal
8 year 2006 and \$75,000 of the general fund--state appropriation for
9 fiscal year 2007 are provided solely for the Olympic natural resources
10 center.

11 NEW SECTION. **Sec. 605. FOR WASHINGTON STATE UNIVERSITY**

12	General Fund--State Appropriation (FY 2006)	\$208,316,000
13	General Fund--State Appropriation (FY 2007)	\$211,293,000
14	TOTAL APPROPRIATION	\$419,609,000

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

17 (1) \$210,000 of the general fund--state appropriation for fiscal
18 year 2006 and \$210,000 of the general fund--state appropriation for
19 fiscal year 2007 are provided solely for the implementation of the
20 Puget Sound work plan and agency action item WSU-01.

21 (2) \$2,783,000 of the general fund--state appropriation for fiscal
22 year 2006 and \$5,566,000 of the general fund--state appropriation for
23 fiscal year 2007 are provided as the state subsidy for 522 new
24 enrollments at the Pullman campus, 400 new enrollments at the Vancouver
25 campus, and 90 new enrollments at the Tri-Cities campus. The amounts
26 provided in this subsection are contingent upon the university
27 accepting applicants for transfer from Washington community and
28 technical colleges who meet the admission requirements of the
29 university in numbers consistent with the proportionality agreements
30 for specific campuses between the university and the state board for
31 community and technical colleges. The enrollment increases provided in
32 this section shall be limited to new students only and may not be used
33 to pay for students currently enrolled by the university.

34 (3) The appropriations for higher education employee compensation
35 increases provided or referenced in this section and described in
36 sections 938 through 968 of this act are estimated to increase the
37 total per student funding by \$726 during the 2005-2007 biennium. This

1 increase in total per student funding is in addition to the tuition
2 revenues that will be generated and retained by the university as a
3 result of the tuition increases that are authorized in section 601 of
4 this act. Given these increases in core funding, Washington State
5 University shall, by June 30, 2007, show demonstrable progress toward
6 achieving the following six-year programmatic goals:

7 (a) Improve time to degree as measured by the percent of admitted
8 students who graduate within 125% of the credits required for a degree;

9 (b) Preserve access for low-income students as measured by the
10 percentage of total degrees awarded to Pell Grant recipients;

11 (c) Improve freshman retention rates;

12 (d) Improve and sustain the quality of its degree programs as
13 measured by the number of programs that are ranked in the top twenty
14 nationally;

15 (e) Sustain the quality of its research programs as measured by the
16 national ranking for federal research grants received; and

17 (f) Improve its ability to prepare students for the workforce as
18 measured by the job placement or graduate school acceptance rates among
19 graduates.

20 Specific six-year targets for the goals stated in this subsection
21 shall be established by the university, the office of financial
22 management, and the higher education coordinating board and shall be
23 determined based on the per student funding level assumed in this act.

24 On or before October 1, 2006 the university shall submit to the
25 higher education coordinating board a report that outlines the
26 institution's progress and ongoing efforts toward meeting the
27 provisions of this section. The higher education coordinating board
28 shall compile and analyze all responses and provide a summary to the
29 governor and the appropriate fiscal and policy committees of the
30 legislature prior to November 1, 2006.

31 (4) \$1,014,000 of the general fund--state appropriation for fiscal
32 year 2006 and \$1,014,000 of the general fund--state appropriation for
33 fiscal year 2007 are provided solely to expand the entering class of
34 veterinary medicine students by 16 resident student FTEs each academic
35 year during the 2005-2007 biennium.

36 (5) \$200,000 of the general fund--state appropriation for fiscal
37 year 2006 and \$200,000 of the general fund--state appropriation for

1 fiscal year 2007 are provided solely to conduct research on
2 alternatives for controlling ghost shrimp in Willapa bay.

3 (6) \$500,000 of the general fund--state appropriation for fiscal
4 year 2006 is provided solely to assist the transition of Washington
5 State University-Vancouver from a branch campus serving only upper-
6 division students, to a four-year campus serving freshmen, sophomores,
7 and upper-division students. Funds may be used to develop curricula,
8 recruit new faculty, and expand student services. Consistent with the
9 recommendations of the higher education coordinating board, WSU-
10 Vancouver may begin enrolling lower-division students beginning in
11 fiscal year 2007.

12 NEW SECTION. **Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

13	General Fund--State Appropriation (FY 2006)	\$47,373,000
14	General Fund--State Appropriation (FY 2007)	\$48,382,000
15	TOTAL APPROPRIATION	\$95,755,000

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

18 (1) \$2,030,000 of the general fund--state appropriation for fiscal
19 year 2006 and \$4,059,000 of the general fund--state appropriation for
20 fiscal year 2007 are provided as the state subsidy for 738 new
21 enrollments. The amounts provided in this subsection are contingent
22 upon the university accepting applicants for transfer from Washington
23 community and technical colleges who meet the admission requirements of
24 the university in numbers consistent with the proportionality
25 agreements for specific campuses between the university and the state
26 board for community and technical colleges. The enrollment increases
27 provided in this section shall be limited to new students only and may
28 not be used to pay for students currently enrolled by the university.

29 (2) The appropriations for higher education employee compensation
30 increases provided or referenced in this section and described in
31 sections 938 through 968 of this act are estimated to increase the
32 total per student funding by \$480 during the 2005-2007 biennium. This
33 increase in total per student funding is in addition to the tuition
34 revenues that will be generated and retained by the university as a
35 result of the tuition increases that are authorized in section 601 of
36 this act. Given these increases in core funding, Eastern Washington

1 University shall, by June 30, 2007, show demonstrable progress toward
2 achieving the following six-year programmatic goals:

3 (a) Improve time to degree as measured by the percent of admitted
4 students who graduate within 125% of the credits required for a degree;

5 (b) Preserve access for low-income students as measured by the
6 percentage of total degrees awarded to Pell Grant recipients;

7 (c) Improve freshman retention rates;

8 (d) Improve and sustain the quality of its degree programs as
9 measured by the number of programs that receive national accreditation;

10 and

11 (e) Improve its ability to prepare students for the workforce as
12 measured by the job placement or graduate school acceptance rates among
13 graduates.

14 Specific six-year targets for the goals stated in this subsection
15 shall be established by the university, the office of financial
16 management, and the higher education coordinating board and shall be
17 determined based on the per student funding level assumed in this act.

18 On or before October 1, 2006, the university shall submit to the
19 higher education coordinating board a report that outlines the
20 institution's progress and ongoing efforts toward meeting the
21 provisions of this section. The higher education coordinating board
22 shall compile and analyze all responses and provide a summary to the
23 governor and the appropriate fiscal and policy committees of the
24 legislature prior to November 1, 2006.

25 (3) \$212,000 of the general fund--state appropriation for fiscal
26 year 2006 and \$213,000 of the general fund--state appropriation for
27 fiscal year 2007 are provided solely for the northeast autism center to
28 provide community based approaches to assisting children and adults
29 with autism spectrum disorder and to include the establishment of a
30 preschool at Eastern Washington University to serve children identified
31 with autism spectrum disorder.

32 **NEW SECTION. Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY**

33	General Fund--State Appropriation (FY 2006)	\$46,855,000
34	General Fund--State Appropriation (FY 2007)	\$48,425,000
35	TOTAL APPROPRIATION	\$95,280,000

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

1 (1) \$1,727,000 of the general fund--state appropriation for fiscal
2 year 2006 and \$3,454,000 of the general fund--state appropriation for
3 fiscal year 2007 are provided as the state subsidy for 628 new
4 enrollments. The amounts provided in this subsection are contingent
5 upon the university accepting applicants for transfer from Washington
6 community and technical colleges who meet the admission requirements of
7 the university in numbers consistent with the proportionality
8 agreements for specific campuses between the university and the state
9 board for community and technical colleges. The enrollment increases
10 provided in this section shall be limited to new students only and may
11 not be used to pay for students currently enrolled by the university.

12 (2) The appropriations for higher education employee compensation
13 increases provided or referenced in this section and described in
14 sections 938 through 968 of this act are estimated to increase the
15 total per student funding by \$499 during the 2005-2007 biennium. This
16 increase in total per student funding is in addition to the tuition
17 revenues that will be generated and retained by the university as a
18 result of the tuition increases that are authorized in section 601 of
19 this act. Given these increases in core funding, Central Washington
20 University shall, by June 30, 2007, show demonstrable progress toward
21 achieving the following six-year programmatic goals:

22 (a) Improve time to degree as measured by the percent of admitted
23 students who graduate within 125% of the credits required for a degree;

24 (b) Preserve access for low-income students as measured by the
25 percentage of total degrees awarded to Pell Grant recipients;

26 (c) Improve freshman retention rates;

27 (d) Improve and sustain the quality of its degree programs as
28 measured by the number of programs that receive national accreditation;
29 and

30 (e) Improve its ability to prepare students for the workforce as
31 measured by the job placement or graduate school acceptance rates among
32 graduates.

33 Specific six-year targets for the goals stated in this subsection
34 shall be established by the university, the office of financial
35 management, and the higher education coordinating board and shall be
36 determined based on the per student funding level assumed in this act.

37 On or before October 1, 2006, the university shall submit to the
38 higher education coordinating board a report that outlines the

1 institution's progress and ongoing efforts toward meeting the
2 provisions of this section. The higher education coordinating board
3 shall compile and analyze all responses and provide a summary to the
4 governor and the appropriate fiscal and policy committees of the
5 legislature prior to November 1, 2006.

6 NEW SECTION. **Sec. 608. FOR THE EVERGREEN STATE COLLEGE**

7	General Fund--State Appropriation (FY 2006)	\$25,868,000
8	General Fund--State Appropriation (FY 2007)	\$25,919,000
9	TOTAL APPROPRIATION	\$51,787,000

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

12 (1) \$611,000 of the general fund--state appropriation for fiscal
13 year 2006 and \$1,221,000 of the general fund--state appropriation for
14 fiscal year 2007 are provided as the state subsidy for 222 new
15 enrollments. The amounts provided in this subsection are contingent
16 upon the college accepting applicants for transfer from Washington
17 community and technical colleges who meet the admission requirements of
18 the college in numbers consistent with the proportionality agreements
19 for specific campuses between the college and the state board for
20 community and technical colleges. The enrollment increases provided in
21 this section shall be limited to new students and may not be used to
22 pay for students currently enrolled by the institution.

23 (2) The appropriations for higher education employee compensation
24 increases provided or referenced in this section and described in
25 sections 938 through 968 of this act are estimated to increase the
26 total per student funding by \$482 during the 2005-2007 biennium. This
27 increase in total per student funding is in addition to the tuition
28 revenues that will be generated and retained by the college as a result
29 of the tuition increases that are authorized in section 601 of this
30 act. Given these increases in core funding, The Evergreen State
31 College shall, by June 30, 2007, show demonstrable progress toward
32 achieving the following six-year programmatic goals:

- 33 (a) Improve time to degree as measured by the percent of admitted
34 students who graduate within 125% of the credits required for a degree;
- 35 (b) Preserve access for low-income students as measured by the
36 percentage of total degrees awarded to Pell Grant recipients;
- 37 (c) Improve freshman retention rates;

1 (d) Improve and sustain the quality of its degree programs as
2 measured by the number of programs that receive national accreditation;

3 (e) Improve its ability to prepare students for the workforce as
4 measured by the job placement or graduate school acceptance rates among
5 graduates.

6 Specific six-year targets for the goals stated in this subsection
7 shall be established by the university, the office of financial
8 management, and the higher education coordinating board and shall be
9 determined based on the per student funding level assumed in this act.

10 On or before October 1, 2006, the university shall submit to the
11 higher education coordinating board a report that outlines the
12 institution's progress and ongoing efforts toward meeting the
13 provisions of this section. The higher education coordinating board
14 shall compile and analyze all responses and provide a summary to the
15 governor and the appropriate fiscal and policy committees of the
16 legislature prior to November 1, 2006.

17 (3) \$50,000 of the general fund--state appropriation for fiscal
18 year 2006 is provided solely for the Washington state institute for
19 public policy to conduct an examination of educational outcome of
20 immigrant students. The examination shall include, but is not limited
21 to, a review of the following: The current educational performance and
22 graduation rates of immigrant students; the qualifications and
23 capabilities of teachers and paraprofessional to teach students from
24 diverse backgrounds for whom English may be a second language; the use
25 of technology, such as distance learning, in the transitional bilingual
26 program and other instruction provided to immigrant students; and
27 potential changes that would result in more effective instruction and
28 cost-effectiveness. The office of superintendent of public instruction
29 shall provide technical assistance and needed data to assist in the
30 institute's examination. The institute shall provide a report of its
31 findings to the governor and appropriate committees of the legislature
32 by January 1, 2006.

33 (4) \$265,000 of the general fund--state appropriation for fiscal
34 year 2006 and \$316,000 of the general fund--state appropriation for
35 fiscal year 2007 are provided solely for the Washington state institute
36 for public policy to conduct studies of integrated treatment pilot
37 projects, mental health clubhouses, and the net present value of
38 prevention and intervention programs, as required by Senate Bill No.

1 5763 (mental disorders). If Senate Bill No. 5763 is not enacted by
2 June 30, 2005, then the amounts provided in this subsection shall
3 lapse.

4 (5) \$150,000 of the general fund--state appropriation for fiscal
5 year 2006 is provided solely for the Washington state institute for
6 public policy to study the minimum wage and the issues referred to in
7 Substitute Senate Bill No. 5551. The institute shall report its
8 finding to the governor and the appropriate standing committees of the
9 legislature by December 1, 2005. If Substitute Senate Bill No. 5551 is
10 not enacted by June 30, 2005, the amount provided in this subsection
11 shall lapse.

12 NEW SECTION. **Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY**

13	General Fund--State Appropriation (FY 2006)	\$60,342,000
14	General Fund--State Appropriation (FY 2007)	\$60,857,000
15	TOTAL APPROPRIATION	\$121,199,000

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

18 (1) \$980,400 of the general fund--state appropriation for fiscal
19 year 2006 and \$980,400 of the general fund--state appropriation for
20 fiscal year 2007 are provided solely for the operations of the North
21 Snohomish, Island, Skagit (NSIS) higher education consortium.

22 (2) \$660,000 of the general fund--state appropriation for fiscal
23 year 2006 and \$1,320,000 of the general fund--state appropriation for
24 fiscal year 2007 are provided as the state subsidy for 240 new
25 enrollments. The amounts provided in this subsection are contingent
26 upon the university accepting applicants for transfer from Washington
27 community and technical colleges who meet the admission requirements of
28 the university in numbers consistent with the proportionality
29 agreements for specific campuses between the university and the state
30 board for community and technical colleges. The enrollment increases
31 provided in this section shall be limited to new students only, and may
32 not be used to pay for students currently enrolled by the university.

33 (3) The appropriations for higher education employee compensation
34 increases provided or referenced in this section and described in
35 sections 938 through 968 of this act are estimated to increase the
36 total per student funding by \$486 during the 2005-2007 biennium. This
37 increase in total per student funding is in addition to the tuition

1 revenues that will be generated and retained by the university as a
2 result of the tuition increases that are authorized in section 601 of
3 this act. Given these increases in core funding, Western Washington
4 University shall, by June 30, 2007, show demonstrable progress toward
5 achieving the following six-year programmatic goals:

6 (a) Improve time to degree as measured by the percent of admitted
7 students who graduate within 125% of the credits required for a degree;

8 (b) Preserve access for low-income students as measured by the
9 percentage of total degrees awarded to Pell Grant recipients;

10 (c) Improve freshman retention rates;

11 (d) Improve and sustain the quality of its degree programs as
12 measured by the number of programs that receive national accreditation;
13 and

14 (e) Improve its ability to prepare students for the workforce as
15 measured by the job placement or graduate school acceptance rates among
16 graduates.

17 Specific six-year targets for the goals stated in this subsection
18 shall be established by the university, the office of financial
19 management, and the higher education coordinating board and shall be
20 determined based on the per student funding level assumed in this act.

21 On or before October 1, 2006, the university shall submit to the
22 higher education coordinating board a report that outlines the
23 institution's progress and ongoing efforts toward meeting the
24 provisions of this section. The higher education coordinating board
25 shall compile and analyze all responses and provide a summary to the
26 governor and the appropriate fiscal and policy committees of the
27 legislature prior to November 1, 2006.

28 **NEW SECTION. Sec. 610. FOR THE HIGHER EDUCATION COORDINATING**
29 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

30	General Fund--State Appropriation (FY 2006)	\$2,688,000
31	General Fund--State Appropriation (FY 2007)	\$2,669,000
32	General Fund--Federal Appropriation	\$4,314,000
33	TOTAL APPROPRIATION	\$9,671,000

34 The appropriations in this section are subject to the following
35 conditions and limitations: \$300,000 of the general fund--state
36 appropriation for fiscal year 2006 and \$300,000 of the general fund--

1 state appropriation for fiscal year 2007 are provided solely to develop
2 college readiness standards for English and science.

3 NEW SECTION. **Sec. 611. FOR THE HIGHER EDUCATION COORDINATING**
4 **BOARD--FINANCIAL AID AND GRANT PROGRAMS**

5	General Fund--State Appropriation (FY 2006)	\$207,163,000
6	General Fund--State Appropriation (FY 2007)	\$218,015,000
7	General Fund--Federal Appropriation	\$13,060,000
8	TOTAL APPROPRIATION	\$438,238,000

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

11 (1) \$273,000 of the general fund--state appropriation for fiscal
12 year 2006 and \$273,000 of the general fund--state appropriation for
13 fiscal year 2007 are provided solely for the western interstate
14 commission for higher education.

15 (2) \$75,000 of the general fund--state appropriation for fiscal
16 year 2006 and \$75,000 of the general fund--state appropriation for
17 fiscal year 2007 are provided solely for higher education student child
18 care matching grants under chapter 28B.135 RCW.

19 (3) \$25,000 of the general fund--state appropriation for fiscal
20 year 2006 and \$25,000 of the general fund--state appropriation for
21 fiscal year 2007 are provided solely for the benefit of students who
22 participate in college assistance migrant programs (CAMP) operating in
23 Washington state. To ensure timely state aid, the board may establish
24 a date after which no additional grants would be available for the
25 2005-06 and 2006-07 academic years. The board shall disperse grants in
26 equal amounts to eligible post-secondary institutions so that state
27 money in all cases supplements federal CAMP awards.

28 (4) \$172,163,000 of the general fund--state appropriation for
29 fiscal year 2006 and \$188,044,000 of the general fund--state
30 appropriation for fiscal year 2007 are provided solely for the state
31 need grant program. After April 1st of each fiscal year, up to one
32 percent of the annual appropriation for the state need grant program
33 may be transferred to the state work study program.

34 (5) \$17,942,000 of the general fund--state appropriation for fiscal
35 year 2006 and \$19,070,000 of the general fund--state appropriation for
36 fiscal year 2007 are provided solely for the state work study program.
37 After April 1st of each fiscal year, up to one percent of the annual

1 appropriation for the state work study program may be transferred to
2 the state need grant program. In addition to the administrative
3 allowance in subsection (11) of this section, four percent of the
4 general fund--state amount in this subsection may be expended for state
5 work study program administration.

6 (6) \$2,867,000 of the general fund--state appropriation for fiscal
7 year 2006 and \$2,867,000 of the general fund--state appropriation for
8 fiscal year 2007 are provided solely for educational opportunity grants
9 pursuant to chapter 233, Laws of 2003 (ESB 5676). The board may
10 deposit sufficient funds from its appropriation into the state
11 education trust fund as established in RCW 28B.10.821 to provide a one-
12 year renewal of the grant for each new recipient of the educational
13 opportunity grant award.

14 (7) \$2,384,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$2,549,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely to implement the Washington
17 scholars program. Any Washington scholars program moneys not awarded
18 by April 1st of each year may be transferred by the board to the
19 Washington award for vocational excellence.

20 (8) \$794,000 of the general fund--state appropriation for fiscal
21 year 2006 and \$846,000 of the general fund--state appropriation for
22 fiscal year 2007 are provided solely to implement Washington award for
23 vocational excellence program. Any Washington award for vocational
24 program moneys not awarded by April 1st of each year may be transferred
25 by the board to the Washington scholars program.

26 (9) \$246,000 of the general fund--state appropriation for fiscal
27 year 2006 and \$246,000 of the general fund--state appropriation for
28 fiscal year 2007 are provided solely for community scholarship matching
29 grants of \$2,000 each and up to a total of \$46,000 per year in grants
30 for nonprofit community organizations to administer the scholarship
31 matching grants. To be eligible for the matching grant, a nonprofit
32 community organization organized under section 501(c)(3) of the
33 internal revenue code must demonstrate that it has raised \$2,000 in new
34 moneys for college scholarships after the effective date of this
35 section. An organization may receive more than one \$2,000 matching
36 grant and preference shall be given to organizations affiliated with
37 Scholarship America.

1 (10) Subject to state need grant service requirements pursuant to
 2 chapter 28B.119 RCW, \$8,620,000 of the general fund--state
 3 appropriation for fiscal year 2006 is provided solely for the
 4 Washington promise scholarship program. The Washington promise
 5 scholarship program is terminated following fiscal year 2006. No
 6 Washington promise scholarship awards may be offered to students beyond
 7 the graduating high school class of 2004.

8 (11) \$2,820,000 of the general fund--state appropriation for fiscal
 9 year 2006 and \$2,820,000 of the general fund--state appropriation for
 10 fiscal year 2007 are provided solely for financial aid administration,
 11 in addition to the four percent cost allowance provision for state work
 12 study under subsection (5) of this section. These funds are provided
 13 to administer all the financial aid and grant programs assigned to the
 14 board by the legislature and administered by the agency. To the extent
 15 the executive director finds the agency will not require the full sum
 16 provided in this subsection, a portion may be transferred to supplement
 17 financial grants-in-aid to eligible clients after notifying the board
 18 and the office of financial management of the intended transfer.

19 NEW SECTION. **Sec. 612. FOR THE WORK FORCE TRAINING AND EDUCATION**
 20 **COORDINATING BOARD**

21	General Fund--State Appropriation (FY 2006)	\$1,219,000
22	General Fund--State Appropriation (FY 2007)	\$1,215,000
23	General Fund--Federal Appropriation	\$53,875,000
24	TOTAL APPROPRIATION	\$56,309,000

25 NEW SECTION. **Sec. 613. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH**
 26 **AND TECHNOLOGY INSTITUTE**

27	General Fund--State Appropriation (FY 2006)	\$1,554,000
28	General Fund--State Appropriation (FY 2007)	\$1,568,000
29	TOTAL APPROPRIATION	\$3,122,000

30 NEW SECTION. **Sec. 614. FOR THE WASHINGTON STATE ARTS COMMISSION**

31	General Fund--State Appropriation (FY 2006)	\$2,304,000
32	General Fund--State Appropriation (FY 2007)	\$2,311,000
33	General Fund--Federal Appropriation	\$1,300,000
34	Public Benefit Account--State Appropriation	\$200,000
35	TOTAL APPROPRIATION	\$6,115,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$200,000 of the public benefit account--
3 state appropriation is provided solely for increased funding of quality
4 art programs in the state. If Senate Bill No. 5287 (taxation of social
5 card rooms) is not enacted by June 30, 2005, the amount provided shall
6 lapse.

7 NEW SECTION. **Sec. 615. FOR THE WASHINGTON STATE HISTORICAL**
8 **SOCIETY**

9	General Fund--State Appropriation (FY 2006)	\$3,334,000
10	General Fund--State Appropriation (FY 2007)	\$2,651,000
11	TOTAL APPROPRIATION	\$5,985,000

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

14 (1) \$102,000 of the general fund--state appropriation for fiscal
15 year 2006 and \$95,000 of the general fund--state appropriation for
16 fiscal year 2007 are provided solely to implement Senate Bill No. 5707
17 (women's history consortium). If the bill is not enacted by June 30,
18 2005, the amounts provided in this subsection shall lapse.

19 (2) \$262,000 of the general fund--state appropriation for fiscal
20 year 2006 is provided solely to coordinate and fund programs related to
21 the Lewis and Clark bicentennial commemoration.

22 (3) \$155,000 of the general fund--state appropriation for fiscal
23 year 2006 is provided solely for reimbursement of costs incurred by the
24 Pacific county sheriff's office resulting from Lewis and Clark
25 bicentennial commemoration events.

26 (4) \$100,000 of the general fund--state appropriation for fiscal
27 year 2006 is provided solely for reimbursement of costs incurred by
28 local law enforcement resulting from Lewis and Clark bicentennial
29 commemoration events scheduled in the cities of Clarkston, Dayton,
30 Kennewick, Stevenson, Toppenish, and Vancouver.

31 NEW SECTION. **Sec. 616. FOR THE EASTERN WASHINGTON STATE**
32 **HISTORICAL SOCIETY**

33	General Fund--State Appropriation (FY 2006)	\$1,539,000
34	General Fund--State Appropriation (FY 2007)	\$1,562,000
35	TOTAL APPROPRIATION	\$3,101,000

1	<u>NEW SECTION.</u> Sec. 617. FOR THE STATE SCHOOL FOR THE BLIND	
2	General Fund--State Appropriation (FY 2006)	\$5,036,000
3	General Fund--State Appropriation (FY 2007)	\$5,018,000
4	General Fund--Private/Local Appropriation	\$1,335,000
5	TOTAL APPROPRIATION	\$11,389,000

6	<u>NEW SECTION.</u> Sec. 618. FOR THE STATE SCHOOL FOR THE DEAF	
7	General Fund--State Appropriation (FY 2006)	\$8,279,000
8	General Fund--State Appropriation (FY 2007)	\$8,256,000
9	General Fund--Private/Local Appropriation	\$232,000
10	TOTAL APPROPRIATION	\$16,767,000

(End of part)

PART VII
SPECIAL APPROPRIATIONS

NEW SECTION. Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2006)	\$654,444,000
General Fund--State Appropriation (FY 2007)	\$708,119,000
State Building Construction Account--State Appropriation	\$3,924,000
State Taxable Building Construction Account--State Appropriation	\$139,000
Gardner-Evans Higher Education Construction Account--State Appropriation	\$1,215,000
Debt-limit General Fund Bond Retirement Account--State Appropriation	\$4,113,000
Debt-Limit Reimbursable Bond Retirement Account--State Appropriation	\$2,583,000
TOTAL APPROPRIATION	\$1,374,537,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2006 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2006.

NEW SECTION. Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES

State Convention and Trade Center Account--State Appropriation	\$29,411,000
Accident Account--State Appropriation	\$5,111,000
Medical Aid Account--State Appropriation	\$5,111,000
TOTAL APPROPRIATION	\$39,633,000

NEW SECTION. Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR

1 **GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

2 General Fund--State Appropriation (FY 2006) \$24,588,000

3 General Fund--State Appropriation (FY 2007) \$26,743,000

4 Nondebt-Limit Reimbursable Bond Retirement

5 Account--State Appropriation \$131,844,000

6 TOTAL APPROPRIATION \$183,175,000

7 The appropriations in this section are subject to the following

8 conditions and limitations: The general fund appropriation is for

9 deposit into the nondebt-limit general fund bond retirement account.

10 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**

11 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**

12 **BOND SALE EXPENSES**

13 General Fund--State Appropriation (FY 2006) \$1,357,000

14 General Fund--State Appropriation (FY 2007) \$1,357,000

15 State Building Construction Account--State Appropriation . \$1,080,000

16 State Taxable Building Construction

17 Account--State Appropriation \$13,000

18 Gardner-Evans Higher Education Construction

19 Account--State Appropriation \$452,000

20 TOTAL APPROPRIATION \$4,259,000

21 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

22 **FIRE CONTINGENCY POOL**

23 Disaster Response Account--State Appropriation \$4,000,000

24 The sum of \$4,000,000 is appropriated from the disaster response

25 account for the purpose of making allocations to the Washington state

26 patrol for fire mobilizations costs or to the department of natural

27 resources for fire suppression costs.

28 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

29 **EMERGENCY FUND**

30 General Fund--State Appropriation (FY 2006) \$850,000

31 General Fund--State Appropriation (FY 2007) \$850,000

32 TOTAL APPROPRIATION \$1,700,000

33 The appropriations in this section are subject to the following

1 conditions and limitations: The appropriations in this section are for
2 the governor's emergency fund for the critically necessary work of any
3 agency.

4 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
5 **SEX OFFENDER SENTENCING IMPACT**

6	General Fund--State Appropriation (FY 2006)	\$45,000
7	General Fund--State Appropriation (FY 2007)	\$792,000
8	TOTAL APPROPRIATION	\$837,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The appropriations are provided solely for
11 distribution to counties to pay for the costs of implementing chapter
12 176, Laws of 2004, which makes amendments to the special sex offender
13 sentencing alternative.

14 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
15 **SMALL AGENCY INFORMATION TECHNOLOGY POOL**

16	General Fund--State Appropriation (FY 2006)	\$500,000
----	---	-----------

17 The appropriation in this section is subject to the following
18 conditions and limitations: The appropriation is provided solely for
19 deposit into the data processing revolving account.

20 NEW SECTION. **Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
21 **CAPITOL BUILDING CONSTRUCTION ACCOUNT**

22	General Fund--State Appropriation (FY 2006)	\$600,000
23	General Fund--State Appropriation (FY 2007)	\$1,000,000
24	TOTAL APPROPRIATION	\$1,600,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: The appropriations are provided solely for
27 deposit in the capitol building construction account.

28 NEW SECTION. **Sec. 710. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
29 **AND ECONOMIC DEVELOPMENT--COUNTY PUBLIC HEALTH ASSISTANCE**

30	Health Services Account--State Appropriation	\$48,000,000
----	--	--------------

31 The appropriation in this section is subject to the following
32 conditions and limitations: The director of the department of

1 community, trade, and economic development shall distribute the
 2 appropriations to the following counties and health districts in the
 3 amounts designated:

4	Health District	FY 2006	FY 2007	FY 2005-07
5				Biennium
6	Adams County Health District	\$30,951	\$30,951	\$61,902
7	Asotin County Health District	\$67,714	\$67,714	\$135,428
8	Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
9	Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522
10	Clallam County Health and Human Services Department	\$141,752	\$141,752	\$283,504
11	Southwest Washington Health District	\$1,084,473	\$1,084,473	\$2,168,946
12	Columbia County Health District	\$40,529	\$40,529	\$81,058
13	Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
14	Garfield County Health District	\$15,028	\$15,028	\$30,056
15	Grant County Health District	\$118,595	\$118,595	\$237,191
16	Grays Harbor Health Department	\$183,870	\$183,870	\$367,740
17	Island County Health Department	\$91,892	\$91,892	\$183,784
18	Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
19	Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
20	Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
21	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
22	Klickitat County Health Department	\$62,402	\$62,402	\$124,804
23	Lewis County Health Department	\$105,801	\$105,801	\$211,602
24	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
25	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
26	Okanogan County Health District	\$63,458	\$63,458	\$126,916
27	Pacific County Health Department	\$77,427	\$77,427	\$154,854
28	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
29	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
30	Skagit County Health Department	\$223,927	\$223,927	\$447,854
31	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
32	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
33	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
34	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
35	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
36	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124

1	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
2	Whitman County Health Department	\$78,733	\$78,733	\$157,466
3	Yakima Health District	\$623,797	\$623,797	\$1,247,594
4	TOTAL APPROPRIATIONS	\$24,000,000	\$24,000,000	\$48,000,000

5 NEW SECTION. **Sec. 711. BELATED CLAIMS.** The agencies and
6 institutions of the state may expend moneys appropriated in this act,
7 upon approval of the office of financial management, for the payment of
8 supplies and services furnished to the agency or institution in prior
9 fiscal biennia.

10 NEW SECTION. **Sec. 712. FOR THE DEPARTMENT OF RETIREMENT**
11 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS.** The appropriations in
12 this section are subject to the following conditions and limitations:
13 The appropriations for the law enforcement officers' and firefighters'
14 retirement system shall be made on a monthly basis beginning July 1,
15 2005, consistent with chapter 41.45 RCW, and the appropriations for the
16 judges and judicial retirement systems shall be made on a quarterly
17 basis consistent with chapters 2.10 and 2.12 RCW.

18 (1) There is appropriated for state contributions to the law
19 enforcement officers' and fire fighters' retirement system:

20	General Fund--State Appropriation (FY 2006)	\$31,400,000
21	General Fund--State Appropriation (FY 2007)	\$37,400,000

22 (2) There is appropriated for contributions to the judicial
23 retirement system:

24	General Fund--State Appropriation (FY 2006)	\$6,000,000
25	General Fund--State Appropriation (FY 2007)	\$6,000,000

26 (3) There is appropriated for contributions to the judges
27 retirement system:

28	General Fund--State Appropriation (FY 2006)	\$300,000
29	General Fund--State Appropriation (FY 2007)	\$300,000
30	TOTAL APPROPRIATION	\$81,400,000

31 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
32 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

33	General Fund--State Appropriation (FY 2006)	\$8,550,000
34	General Fund--State Appropriation (FY 2007)	\$8,550,000

1 TOTAL APPROPRIATION \$17,100,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: The appropriations in this section are
4 provided solely for deposit in the education technology revolving
5 account for the purpose of covering ongoing operational and equipment
6 replacement costs incurred by the K-20 educational network program in
7 providing telecommunication services to network participants.

8 NEW SECTION. **Sec. 714. FOR THE GOVERNOR--LIFE SCIENCES DISCOVERY**
9 **FUND AUTHORITY**

10 General Fund--State Appropriation (FY 2006) \$150,000

11 The appropriation in this section is subject to the following
12 conditions and limitations: The appropriation in this section is
13 provided solely for a grant to the life sciences discovery fund
14 authority to be used in accordance with Second Substitute House Bill
15 No. 1623 or Engrossed Second Substitute Senate Bill No. 5581. If
16 neither bill is enacted by June 30, 2005, the appropriation in this
17 section shall lapse.

18 NEW SECTION. **Sec. 715. STRATEGIC PURCHASING STRATEGY.** (1) The
19 office of financial management shall work with the appropriate state
20 agencies to generate savings of \$50,000,000, of which \$25,000,000 shall
21 be from the state general fund, that can arise from a strategic
22 purchasing strategy. From appropriations in this act, the office of
23 financial management shall reduce general fund--state allotments by \$8
24 million for fiscal year 2006 and by \$17 million for fiscal year 2007 to
25 reflect the savings from the strategic purchasing strategy. The
26 allotment reductions shall be placed in unallotted status and remain
27 unexpended.

28 (2) The department of general administration, with the assistance
29 of the department of information services and the department of
30 printing and in consultation with the office of financial management,
31 shall conduct an analysis of the state's purchasing processes to
32 identify the most reasonable strategy of attaining a statewide savings
33 target of \$50,000,000 without affecting direct program activities. The
34 analysis shall identify savings by agency and fund that will result
35 from the implementation of a strategic purchasing strategy. The
36 results of this analysis shall then be provided to the director of

1 financial management by October 1, 2005, so the director may use it as
2 the basis to achieve the savings identified in subsection (1) of this
3 section.

4 (3) Before the purchase of goods and services, all state agencies
5 and higher education institutions shall first consider the utilization
6 of current or existing master contracts. All state agencies and higher
7 education institutions shall strive to use master contracts when that
8 use is consistent with the agency's requirements and purchase is
9 financially cost effective.

10 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
11 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

12 General Fund--State Appropriation (FY 2006) \$70,000

13 The appropriation in this section is subject to the following
14 conditions and limitations: The director of financial management shall
15 distribute the appropriation to the following county in the amounts
16 designated for extraordinary criminal justice costs:

17 Grant \$70,000

18 NEW SECTION. **Sec. 717. DOUBLE-FILLED PERSONNEL POSITIONS.** From
19 appropriations in this act, the director of financial management shall
20 reduce general fund--state appropriations for fiscal year 2006 by
21 \$1,333,000 and general fund--state appropriations for fiscal year 2007
22 by \$2,667,000 to reflect the elimination of double-filled personnel
23 positions in which two or more persons occupy the same position in the
24 state personnel system. The allotment reductions shall be placed in
25 unallotted status and remain unexpended.

26 NEW SECTION. **Sec. 718. INCENTIVE SAVINGS--FY 2006.** The sum of
27 one hundred million dollars or so much thereof as may be available on
28 June 30, 2006, from the total amount of unspent fiscal year 2006 state
29 general fund appropriations is appropriated for the purposes of RCW
30 43.79.460 in the manner provided in this section.

31 (1) Of the total appropriated amount, one-half of that portion that
32 is attributable to incentive savings, not to exceed twenty-five million
33 dollars, is appropriated to the savings incentive account for the
34 purpose of improving the quality, efficiency, and effectiveness of
35 agency services, and credited to the agency that generated the savings.

1 (2) The remainder of the total amount, not to exceed seventy-five
2 million dollars, is appropriated to the education savings account.

3 NEW SECTION. **Sec. 719. INCENTIVE SAVINGS--FY 2007.** The sum of
4 one hundred million dollars or so much thereof as may be available on
5 June 30, 2007, from the total amount of unspent fiscal year 2007 state
6 general fund appropriations is appropriated for the purposes of RCW
7 43.79.460 in the manner provided in this section.

8 (1) Of the total appropriated amount, one-half of that portion that
9 is attributable to incentive savings, not to exceed twenty-five million
10 dollars, is appropriated to the savings incentive account for the
11 purpose of improving the quality, efficiency, and effectiveness of
12 agency services, and credited to the agency that generated the savings.

13 (2) The remainder of the total amount, not to exceed seventy-five
14 million dollars, is appropriated to the education savings account.

15 NEW SECTION. **Sec. 720. NONREPRESENTED EMPLOYEE SALARY COST OF**
16 **LIVING ADJUSTMENT**

17	General Fund--State Appropriation (FY 2006)	\$12,794,000
18	General Fund--State Appropriation (FY 2007)	\$19,988,000
19	General Fund--Federal Appropriation	\$8,188,000
20	General Fund--Private/Local Appropriation	\$682,000
21	Dedicated Funds and Accounts Appropriation	\$19,461,000
22	TOTAL APPROPRIATION	\$61,113,000

23 The appropriations in this section shall be expended solely for the
24 purposes designated in this section and are subject to the following
25 conditions and limitations:

26 (1) In addition to the purposes set forth in subsections (2) and
27 (3) of this section, appropriations in this section are provided solely
28 for a 3.2% increase effective July 1, 2005, for all classified
29 employees, except those represented by a collective bargaining unit
30 under the personnel system reform act of 2002, and except the
31 certificated employees covered by the provisions of Initiative Measure
32 No. 732. Also included are employees in the Washington management
33 service, and exempt employees under the jurisdiction of the personnel
34 resources board or the director of personnel, as applicable.

35 (2) The appropriations are also sufficient to fund a 3.2% salary
36 increase effective July 1, 2005, for general government, legislative,

1 and judicial employees exempt from merit system rules whose maximum
2 salaries are not set by the commission on salaries for elected
3 officials.

4 (3) Appropriations in this section are provided for a 1.6% salary
5 increase effective July 1, 2006, until June 30, 2007, for all
6 classified employees, except those represented by a collective
7 bargaining unit under the personnel system reform act of 2002, and
8 except the certificated employees covered by the provisions of
9 Initiative Measure No. 732. Also included are employees in the
10 Washington management service, and exempt employees under the
11 jurisdiction of the personnel resources board or the director of
12 personnel, as applicable. The appropriations are also sufficient to
13 fund a 1.6% salary increase effective July 1, 2006, until June 30,
14 2007, for general government, legislative, and judicial employees
15 exempt from merit system rules whose maximum salaries are not set by
16 the commission on salaries for elected officials.

17 (4)(a) No salary increase may be paid under this section to any
18 person whose salary has been Y-rated pursuant to rules adopted by the
19 personnel resources board or the director of personnel, as applicable.

20 (b) The average salary increases paid under this section to agency
21 officials whose maximum salaries are established by the committee on
22 agency official salaries shall not exceed the average increases
23 provided under subsections (2) and (3) of this section.

24 The office of financial management shall update agency
25 appropriations schedules to reflect the addition of the funding in this
26 section, as identified by agency and account in LEAP document 2005-33
27 dated March 28, 2005.

28 **NEW SECTION. Sec. 721. NONREPRESENTED EMPLOYEE SALARY SURVEY**

29	General Fund--State Appropriation (FY 2006)	\$4,169,000
30	General Fund--State Appropriation (FY 2007)	\$4,412,000
31	General Fund--Federal Appropriation	\$1,737,000
32	General Fund--Private/Local Appropriation	\$314,000
33	Dedicated Funds and Accounts Appropriation	\$3,455,000
34	TOTAL APPROPRIATION	\$14,087,000

35 The appropriations in this section shall be expended solely for the
36 purposes designated in this section and are subject to the following
37 conditions and limitations: For state employees, except those

1 represented by a bargaining unit under the personnel system reform act
2 of 2002, funding is provided for implementation of the department of
3 personnel's 2002 salary survey, for job classes more than 25% below
4 market rates.

5 The office of financial management shall update agency
6 appropriations schedules to reflect the addition of the funding in this
7 section, as identified by agency and account in LEAP document 2005-78Z
8 dated March 28, 2005.

9 NEW SECTION. **Sec. 722. CLASSIFICATION REVISIONS**

10	General Fund--State Appropriation (FY 2006)	\$566,000
11	General Fund--State Appropriation (FY 2007)	\$1,144,000
12	General Fund--Federal Appropriation	\$250,000
13	General Fund--Private/Local Appropriation	\$3,000
14	Dedicated Funds and Accounts Appropriation	\$608,000
15	TOTAL APPROPRIATION	\$2,571,000

16 The appropriations in this section, or as much thereof as may be
17 necessary, shall be expended solely for the purposes designated in this
18 section and are subject to the following conditions and limitations:
19 Funding is provided for partial implementation of classification
20 consolidation and revisions under the personnel system reform act of
21 2002. Groups 2 and 3 of the department of personnel's initial class
22 consolidation plan are affected.

23 The office of financial management shall update agency
24 appropriations schedules to reflect the addition of the funding in this
25 section, as identified by agency and account in OFM document 2005-07-8Q
26 dated March 21, 2005.

27 NEW SECTION. **Sec. 723. COLLECTIVE BARGAINING AGREEMENTS.**

28 Provisions of the collective bargaining agreements contained in
29 sections 723 through 730 are described in general terms. Only major
30 economic terms are included in the descriptions. These descriptions do
31 not contain the complete contents of the agreements.

32 NEW SECTION. **Sec. 724. COLLECTIVE BARGAINING AGREEMENT--WFSE**

33	General Fund--State Appropriation (FY 2006)	\$21,730,000
34	General Fund--State Appropriation (FY 2007)	\$31,698,000
35	General Fund--Federal Appropriation	\$23,902,000

1	General Fund--Private/Local Appropriation	\$2,233,000
2	Dedicated Funds and Accounts Appropriation	\$34,670,000
3	TOTAL APPROPRIATION	\$114,233,000

4 The appropriations in this section shall be expended solely for the
5 purposes designated in this section and are subject to the following
6 conditions and limitations: Funding is provided for the collective
7 bargaining agreement reached between the governor and the Washington
8 federation of state employees under the personnel system reform act of
9 2002. For employees covered under this agreement, funding is provided
10 for a 3.2% salary increase effective July 1, 2005. Funding is also
11 provided for a 1.6% increase effective July 1, 2006, until June 30,
12 2007, and for implementation of the department of personnel 2002 salary
13 survey for classes more than 25% below market rates.

14 The office of financial management shall update agency
15 appropriations schedules to reflect the addition of the funding in this
16 section, as identified by agency and account in LEAP document 2005-780
17 dated March 28, 2005.

18 NEW SECTION. **Sec. 725. COLLECTIVE BARGAINING AGREEMENT--WPEA**

19	General Fund--State Appropriation (FY 2006)	\$1,859,000
20	General Fund--State Appropriation (FY 2007)	\$2,750,000
21	General Fund--Federal Appropriation	\$647,000
22	General Fund--Private/Local Appropriation	\$74,000
23	Dedicated Funds and Accounts Appropriation	\$4,362,000
24	TOTAL APPROPRIATION	\$9,692,000

25 The appropriations in this section shall be expended solely for the
26 purposes designated in this section and are subject to the following
27 conditions and limitations: Funding is provided for the collective
28 bargaining agreement reached between the governor and the Washington
29 public employees association under the personnel system reform act of
30 2002. For employees covered under this agreement, funding is provided
31 for a 3.2% salary increase effective July 1, 2005. Funding is also
32 provided for a 1.6% increase effective July 1, 2006, until June 30,
33 2007, and for implementation of the department of personnel 2002 salary
34 survey for classes more than 25% below market rates.

35 The office of financial management shall update agency
36 appropriations schedules to reflect the addition of the funding in this

1 section, as identified by agency and account in LEAP document 2005-781
2 dated March 28, 2005.

3 NEW SECTION. **Sec. 726. COLLECTIVE BARGAINING AGREEMENT--UFCW**

4 Dedicated Funds and Accounts Appropriation \$1,138,000

5 The appropriations in this section shall be expended solely for the
6 purposes designated in this section and are subject to the following
7 conditions and limitations: Funding is provided for the collective
8 bargaining agreement reached between the governor and the united food
9 and commercial workers under the personnel system reform act of 2002.
10 For employees covered under this agreement, funding is provided for a
11 3.2% salary increase effective July 1, 2005. Funding is also provided
12 for a 1.6% increase effective July 1, 2006, until June 30, 2007.

13 The office of financial management shall update agency
14 appropriations schedules to reflect the addition of the funding in this
15 section, as identified by agency and account in OFM document 2005-07-83
16 dated March 21, 2005.

17 NEW SECTION. **Sec. 727. COLLECTIVE BARGAINING AGREEMENT--**
18 **TEAMSTERS**

19 General Fund--State Appropriation (FY 2006) \$7,325,000
20 General Fund--State Appropriation (FY 2007) \$13,613,000
21 Dedicated Funds and Accounts Appropriation \$3,000
22 TOTAL APPROPRIATION \$20,941,000

23 The appropriations in this section shall be expended solely for the
24 purposes designated in this section and are subject to the following
25 conditions and limitations: Funding is provided for the collective
26 bargaining agreement reached between the governor and the brotherhood
27 of teamsters under the personnel system reform act of 2002. For
28 employees covered under this agreement, funding is provided for a 3.2%
29 salary increase effective July 1, 2005. Funding is also provided for
30 a 2.9% increase effective July 1, 2006, until June 30, 2007, and for
31 implementation of the department of personnel 2002 salary survey for
32 classes more than 25% below market rates.

33 The office of financial management shall update agency
34 appropriations schedules to reflect the addition of the funding in this
35 section, as identified by agency and account in OFM document 2005-07-82
36 dated March 21, 2005.

1 NEW SECTION. **Sec. 728. COLLECTIVE BARGAINING AGREEMENT--**

2 **COALITION**

3	General Fund--State Appropriation (FY 2006)	\$701,000
4	General Fund--State Appropriation (FY 2007)	\$926,000
5	General Fund--Federal Appropriation	\$86,000
6	General Fund--Private/Local Appropriation	\$225,000
7	Dedicated Funds and Accounts Appropriation	\$3,239,000
8	TOTAL APPROPRIATION	\$5,177,000

9 The appropriations in this section shall be expended solely for the
10 purposes designated in this section and are subject to the following
11 conditions and limitations: Funding is provided for the collective
12 bargaining agreement reached between the governor and the coalition
13 under the personnel system reform act of 2002. For employees covered
14 under this agreement, funding is provided for a 3.2% salary increase
15 effective July 1, 2005. Funding is also provided for a 1.6% increase
16 effective July 1, 2006, until June 30, 2007, and for implementation of
17 the department of personnel 2002 salary survey for classes more than
18 25% below market rates.

19 The office of financial management shall update agency
20 appropriations schedules to reflect the addition of the funding in this
21 section, as identified by agency and account in LEAP document 2005-786
22 dated March 28, 2005.

23 NEW SECTION. **Sec. 729. COLLECTIVE BARGAINING AGREEMENT--IFPTE**

24	General Fund--State Appropriation (FY 2006)	\$96,000
25	General Fund--State Appropriation (FY 2007)	\$145,000
26	TOTAL APPROPRIATION	\$241,000

27 The appropriations in this section shall be expended solely for the
28 purposes designated in this section and are subject to the following
29 conditions and limitations: Funding is provided for the collective
30 bargaining agreement reached between the governor and the international
31 federation of professional and technical engineers local 17 under the
32 personnel system reform act of 2002. For employees covered under this
33 agreement, funding is provided for a 3.2% salary increase effective
34 July 1, 2005. Funding is also provided for a 1.6% increase effective
35 July 1, 2006, until June 30, 2007, and for implementation of the
36 department of personnel 2002 salary survey for classes more than 25%
37 below market rates.

1 The office of financial management shall update agency
2 appropriations schedules to reflect the addition of the funding in this
3 section, as identified by agency and account in LEAP document 2005-784
4 dated March 28, 2005.

5 NEW SECTION. **Sec. 730. COLLECTIVE BARGAINING AGREEMENT--SEIU-**
6 **1199**

7	General Fund--State Appropriation (FY 2006)	\$1,656,000
8	General Fund--State Appropriation (FY 2007)	\$2,260,000
9	General Fund--Federal Appropriation	\$1,574,000
10	General Fund--Private/Local Appropriation	\$188,000
11	TOTAL APPROPRIATION	\$5,678,000

12 The appropriations in this section shall be expended solely for the
13 purposes designated in this section and are subject to the following
14 conditions and limitations: Funding is provided for the collective
15 bargaining agreement reached between the governor and the service
16 employees international union, local 1199 NW under the personnel system
17 reform act of 2002. For employees covered under this agreement,
18 funding is provided for a 3.2% salary increase effective July 1, 2005.
19 Funding is also provided for a 1.6% increase effective July 1, 2006,
20 until June 30, 2007, for implementation of the department of personnel
21 2002 salary survey for classes more than 25% below market rates, and
22 for adjustments to the salary grid.

23 The office of financial management shall update agency
24 appropriations schedules to reflect the addition of the funding in this
25 section, as identified by agency and account in OFM document 2005-07-85
26 dated March 21, 2005.

27 NEW SECTION. **Sec. 731. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
28 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

29	General Fund--State Appropriation (FY 2006)	(\$17,004,000)
30	General Fund--State Appropriation (FY 2007)	(\$17,516,000)
31	General Fund--Federal Appropriation	(\$12,534,000)
32	General Fund--Private/Local Appropriation	(\$1,260,000)
33	Dedicated Funds and Accounts Appropriation	(\$17,188,000)
34	TOTAL APPROPRIATION	(\$65,502,000)

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

1 for funding agency pension changes as set forth in Senate Bill No.
2 6101. The office of financial management shall update agency
3 appropriations schedules to reflect the change in funding in this
4 section, as identified by agency and account in: LEAP document 2005-37
5 dated March 21, 2005; LEAP document 2005-38 dated March 21, 2005; and
6 LEAP document 2005-36 dated March 28, 2005.

7 NEW SECTION. **Sec. 732. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
8 **COMPENSATION--INSURANCE BENEFITS IN BARGAINED AGREEMENTS**

9	General Fund--State Appropriation (FY 2006)	\$19,705,000
10	General Fund--State Appropriation (FY 2007)	\$39,403,000
11	General Fund--Federal Appropriation	\$19,182,000
12	General Fund--Private/Local Appropriation	\$1,347,000
13	Dedicated Funds and Accounts Appropriation	\$22,270,000
14	TOTAL APPROPRIATION	\$101,907,000

15 The appropriations in this section shall be expended solely for the
16 purposes designated in this section and are subject to the following
17 conditions and limitations: Funding is provided for the health
18 insurance collective bargaining agreement reached between the governor
19 and the health insurance coalition under the personnel system reform
20 act of 2002 as per the specifications in section 943 of this act. The
21 office of financial management shall update agency appropriations
22 schedules to reflect the addition of the funding in this section, as
23 identified by agency and account in LEAP document 2005-35 dated March
24 28, 2005.

25 NEW SECTION. **Sec. 733. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
26 **COMPENSATION--INSURANCE BENEFITS FOR NONREPRESENTED EMPLOYEES**

27	General Fund--State Appropriation (FY 2006)	\$6,753,000
28	General Fund--State Appropriation (FY 2007)	\$3,001,000
29	General Fund--Federal Appropriation	\$2,302,000
30	General Fund--Private/Local Appropriation	\$178,000
31	Dedicated Funds and Accounts Appropriation	\$5,216,000
32	TOTAL APPROPRIATION	\$17,450,000

33 The appropriations in this section shall be expended solely for the
34 purposes designated in this section and are subject to the following
35 conditions and limitations: Funding is provided for state employee
36 health insurance benefits for nonrepresented state employees as per the

1 specifications in section 943 of this act. The office of financial
2 management shall update agency appropriations schedules to reflect the
3 addition of the funding in this section, as identified by agency and
4 account in LEAP document 2005-34 dated March 28, 2005.

5 NEW SECTION. **Sec. 734. INSURANCE BENEFITS.** The legislature
6 finds that the trend in the rate of medical expense inflation is
7 downward and projects an 8.5% rate of inflation for the 2005-07 fiscal
8 biennium. The funds provided in sections 504, 732, and 733 of this act
9 are anticipated to be sufficient to hold the average employee share of
10 medical insurance premiums to no more than 12% of costs under this 8.5%
11 inflation assumption. If the actual growth in employee medical
12 insurance costs is greater than 8.5%, the legislature intends to
13 appropriate additional funds to cover the cost of inflation, up to a
14 maximum of 11%, in order to maintain the average employee share of
15 medical premiums at no more than 12% for school district employees and
16 for state employees represented by a collective bargaining unit under
17 the personnel system reform act of 2002.

18 NEW SECTION. **Sec. 735. STATE EMPLOYEE INSURANCE BENEFIT**
19 **RESERVE.** \$20,000,000 in the public employees' and retirees' insurance
20 account shall be held in reserve and may be expended only to the extent
21 that the annual rate of employee health insurance premium inflation is
22 greater than 8.5%, shall be used only to fund health benefits for
23 school district employees and state employees represented by a
24 collective bargaining unit under the personnel system reform act of
25 2002, and shall not be used to expand benefits or to reduce the average
26 employee share of medical insurance premium costs to less than 12%.

27 NEW SECTION. **Sec. 736. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
28 **PENSION CONTRIBUTION ADJUSTMENTS FOR THE PUBLIC SAFETY EMPLOYEES'**
29 **RETIREMENT SYSTEM**

30 General Fund--State Appropriation (FY 2007) \$4,400,000
31 Special Account Retirement Contribution Increase
32 Revolving Account Appropriation (\$3,900,000)
33 TOTAL APPROPRIATION \$500,000

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

1 (1) The appropriations in this section are provided solely to make
2 adjustments to agency appropriations to reflect the costs associated
3 with the entry of employees into the public safety employees'
4 retirement system as created by chapter 242, Laws of 2004.

5 (2) To facilitate the transfer of moneys from dedicated funds and
6 accounts, the state treasurer is directed to transfer sufficient moneys
7 from each dedicated fund or account to the special account retirement
8 contribution increase revolving account in accordance with schedules
9 provided by the office of financial management.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Table with 2 columns: Description and Amount. Rows include: General Fund Appropriation for fire insurance premium distributions (\$6,577,000), General Fund Appropriation for public utility district excise tax distributions (\$45,422,000), General Fund Appropriation for prosecuting attorney distributions (\$3,457,000), General Fund Appropriation for boating safety and education distributions (\$4,430,000), General Fund Appropriation for other tax distributions (\$38,000), Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$1,969,000), Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$147,000), Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$71,110,000), County Criminal Justice Assistance Appropriation (\$53,914,000), Municipal Criminal Justice Assistance Appropriation (\$21,104,000), Liquor Excise Tax Account Appropriation for liquor excise tax distribution (\$37,413,000), Liquor Revolving Account Appropriation for liquor profits distribution (\$76,186,000), and TOTAL APPROPRIATION (\$330,427,000).

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

1 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
2 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

3 Impaired Driving Safety Account Appropriation \$1,913,400

4 The appropriation in this section is subject to the following
5 conditions and limitations: The amount appropriated in this section
6 shall be distributed quarterly during the 2005-07 biennium in
7 accordance with RCW 82.14.310. This funding is provided to counties
8 for the costs of implementing criminal justice legislation including,
9 but not limited to: Chapter 206, Laws of 1998 (drunk driving
10 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
11 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
12 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
13 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
14 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
15 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
16 215, Laws of 1998 (DUI provisions).

17 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--FOR THE**
18 **MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

19 Impaired Driving Safety Account Appropriation \$1,275,600

20 The appropriation in this section is subject to the following
21 conditions and limitations: The amount appropriated in this section
22 shall be distributed quarterly during the 2005-07 biennium to all
23 cities ratably based on population as last determined by the office of
24 financial management. The distributions to any city that substantially
25 decriminalizes or repeals its criminal code after July 1, 1990, and
26 that does not reimburse the county for costs associated with criminal
27 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
28 which the city is located. This funding is provided to cities for the
29 costs of implementing criminal justice legislation including, but not
30 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
31 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
32 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
33 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
34 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
35 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
36 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
37 Laws of 1998 (DUI provisions).

1 Health Services Account: For transfer to the
2 state general fund, \$45,000,000 for fiscal
3 year 2006 \$45,000,000
4 Health Services Account: For transfer to the
5 tobacco prevention and control account \$23,366,000
6 Health Services Account: For transfer to the
7 water quality account \$7,885,000
8 Health Services Account: For transfer to the
9 violence reduction and drug enforcement
10 account \$6,932,000
11 Public Employees' and Retirees' Insurance Account:
12 For transfer to the state general fund,
13 \$40,000,000 for fiscal year 2006 and
14 \$45,000,000 for fiscal year 2007 \$85,000,000
15 Department of Retirement Systems Expense Account:
16 For transfer to the state general fund,
17 \$2,000,000 for fiscal year 2006 \$2,000,000
18 Secretary of State's Revolving Account: For
19 transfer to the state general fund, \$250,000
20 for fiscal year 2006 and \$250,000 for
21 fiscal year 2007 \$500,000
22 Pollution Liability Insurance Program Trust
23 Account: For transfer to the state general fund,
24 \$7,500,000 for fiscal year 2006 and \$7,500,000
25 for fiscal year 2007 \$15,000,000
26 State Treasurer's Service Account: For transfer
27 to the state general fund, \$5,500,000 for fiscal
28 year 2006 and \$5,000,000 for fiscal year
29 2007 \$10,500,000
30 State Toxics Control Account For transfer to
31 the state general fund, \$3,600,000 for fiscal
32 year 2006 and \$3,600,000 for fiscal year 2007 \$7,200,000
33 General Fund: For transfer to the water quality
34 account \$13,137,000
35 Water Quality Account: For transfer to the
36 water pollution control revolving account \$10,534,000
37 Drinking Water Assistance Account: For transfer
38 to the drinking water assistance repayment

1 account, an amount not to exceed \$15,000,000
 2 Waste Reduction, Recycling, and Litter Control
 3 Account: For transfer to the state general
 4 fund, \$1,000,000 for fiscal year 2006 and
 5 \$1,000,000 for fiscal year 2007 \$2,000,000
 6 Public Works Assistance Account: For transfer to
 7 the public facility construction loan revolving
 8 account, \$4,500,000 for fiscal year 2006 \$4,500,000
 9 Student Achievement Account: For transfer to
 10 the state general fund, \$87,300,000 for
 11 fiscal year 2006 and \$77,900,000 for fiscal
 12 year 2007 \$165,200,000
 13 Nisqually Earthquake Account: For transfer to
 14 the disaster response account, \$3,000,000 for
 15 fiscal year 2006 \$3,000,000
 16 General Fund: For transfer to the public safety
 17 and education account, \$10,000,000 for fiscal
 18 year 2006 and \$10,000,000 for fiscal year 2007 \$20,000,000
 19 General Fund: For transfer to the violence
 20 reduction and drug enforcement account,
 21 \$3,000,000 for fiscal year 2006 \$3,000,000
 22 Natural Resources Equipment Revolving Fund: For
 23 transfer to the state general fund for fiscal
 24 year 2006 \$1,000,000

25 NEW SECTION. **Sec. 806. FOR THE STATE TREASURER--TRANSFERS.** For
 26 transfers in this section to the state general fund, pursuant to RCW
 27 43.135.035(5), the state expenditure limit shall be increased by the
 28 amount of the transfer. The increase shall occur in the fiscal year in
 29 which the transfer occurs. The transfers are subject to the enactment
 30 of Senate Bill No. 5391. If the bill is not enacted by June 30, 2005,
 31 the transfers shall not be made.

32 Public Employees' and Retirees' Insurance Account:
 33 For transfer to the state general fund,
 34 \$5,000,000 for fiscal year 2006 and \$12,000,000
 35 for fiscal year 2007 \$17,000,000

(End of part)

1 (3) Each project will be planned and designed to take optimal
2 advantage of Internet technologies and protocols. Agencies shall
3 ensure that the project is in compliance with the architecture,
4 infrastructure, principles, policies, and standards of digital
5 government as maintained by the information services board.

6 (4) The agency shall produce a feasibility study for information
7 technology projects at the direction of the information services board
8 and in accordance with published department of information services
9 policies and guidelines. At a minimum, such studies shall include a
10 statement of: (a) The purpose or impetus for change; (b) the business
11 value to the agency, including an examination and evaluation of
12 benefits, advantages, and cost; (c) a comprehensive risk assessment
13 based on the proposed project's impact on both citizens and state
14 operations, its visibility, and the consequences of doing nothing; (d)
15 the impact on agency and statewide information infrastructure; and (e)
16 the impact of the proposed enhancements to an agency's information
17 technology capabilities on meeting service delivery demands.

18 (5) The agency shall produce a comprehensive management plan for
19 each project. The plan or plans shall address all factors critical to
20 successful completion of each project. The plan(s) shall include, but
21 is not limited to, the following elements: A description of the
22 problem or opportunity that the information technology project is
23 intended to address; a statement of project objectives and assumptions;
24 a definition and schedule of phases, tasks, and activities to be
25 accomplished; and the estimated cost of each phase. The planning for
26 the phased approach shall be such that the business case justification
27 for a project needs to demonstrate how the project recovers cost or
28 adds measurable value or positive cost benefit to the agency's business
29 functions within each development cycle.

30 (6) The agency shall produce quality assurance plans for
31 information technology projects. Consistent with the direction of the
32 information services board and the published policies and guidelines of
33 the department of information services, the quality assurance plan
34 shall address all factors critical to successful completion of the
35 project and successful integration with the agency and state
36 information technology infrastructure. At a minimum, quality assurance
37 plans shall provide time and budget benchmarks against which project
38 progress can be measured, a specification of quality assurance

1 responsibilities, and a statement of reporting requirements. The
2 quality assurance plans shall set out the functionality requirements
3 for each phase of a project.

4 (7) A copy of each feasibility study, project management plan, and
5 quality assurance plan shall be provided to the department of
6 information services, the office of financial management, and
7 legislative fiscal committees. The plans and studies shall demonstrate
8 a sound business case that justifies the investment of taxpayer funds
9 on any new project, an assessment of the impact of the proposed system
10 on the existing information technology infrastructure, the disciplined
11 use of preventative measures to mitigate risk, and the leveraging of
12 private-sector expertise as needed. Authority to expend any funds for
13 individual information systems projects is conditioned on the approval
14 of the relevant feasibility study, project management plan, and quality
15 assurance plan by the department of information services and the office
16 of financial management.

17 (8) Quality assurance status reports shall be submitted to the
18 department of information services, the office of financial management,
19 and legislative fiscal committees at intervals specified in the
20 project's quality assurance plan.

21 NEW SECTION. **Sec. 903. BUSINESS CONTINUITY AND DISASTER**
22 **RECOVERY.** State agencies shall comply with the business continuity and
23 disaster recovery policies, guidelines, and statements of direction
24 developed by the department of information services and the information
25 services board in consultation with state agencies. To ensure that
26 agency business continuity and disaster recovery activities identify
27 the primary risks across state agencies, account for dependencies
28 between agencies, capitalize on economies of scale, and avoid
29 unnecessary duplication of costs and efforts, state agencies shall
30 receive the prior approval of the department of information services
31 before implementing business continuity and disaster recovery
32 strategies and expending funds for business continuity activities.

33 NEW SECTION. **Sec. 904. VIDEO TELECOMMUNICATIONS.** The department
34 of information services shall act as lead agency in coordinating video
35 telecommunications services for state agencies. As lead agency, the
36 department shall develop standards and common specifications for leased

1 and purchased telecommunications equipment and assist state agencies in
2 developing a video telecommunications expenditure plan. No agency may
3 spend any portion of any appropriation in this act for new video
4 telecommunication equipment, new video telecommunication transmission,
5 or new video telecommunication programming, or for expanding current
6 video telecommunication systems without first complying with chapter
7 43.105 RCW, including but not limited to, RCW 43.105.041(2), and
8 without first submitting a video telecommunications expenditure plan,
9 in accordance with the policies of the department of information
10 services, for review and assessment by the department of information
11 services under RCW 43.105.052. Prior to any such expenditure by a
12 public school, a video telecommunications expenditure plan shall be
13 approved by the superintendent of public instruction. The office of
14 the superintendent of public instruction shall submit the plans to the
15 department of information services in a form prescribed by the
16 department. The office of the superintendent of public instruction
17 shall coordinate the use of video telecommunications in public schools
18 by providing educational information to local school districts and
19 shall assist local school districts and educational service districts
20 in telecommunications planning and curriculum development. Prior to
21 any such expenditure by a public institution of postsecondary
22 education, a telecommunications expenditure plan shall be approved by
23 the higher education coordinating board. The higher education
24 coordinating board shall coordinate the use of video telecommunications
25 for instruction and instructional support in postsecondary education,
26 including the review and approval of instructional telecommunications
27 course offerings.

28 NEW SECTION. **Sec. 905. PROGRAM COST SHIFTS.** Any program costs
29 or moneys in this act that are shifted to the general fund from another
30 fund or account require an adjustment to the expenditure limit under
31 RCW 43.135.035(5).

32 NEW SECTION. **Sec. 906. EMERGENCY FUND ALLOCATIONS.** Whenever
33 allocations are made from the governor's emergency fund appropriation
34 to an agency that is financed in whole or in part by other than general
35 fund moneys, the director of financial management may direct the

1 repayment of such allocated amount to the general fund from any balance
2 in the fund or funds which finance the agency. No appropriation shall
3 be necessary to effect such repayment.

4 NEW SECTION. **Sec. 907. STATUTORY APPROPRIATIONS.** In addition
5 to the amounts appropriated in this act for revenues for distribution,
6 state contributions to the law enforcement officers' and fire fighters'
7 retirement system plan 2, and bond retirement and interest including
8 ongoing bond registration and transfer charges, transfers, interest on
9 registered warrants, and certificates of indebtedness, there is also
10 appropriated such further amounts as may be required or available for
11 these purposes under any statutory formula or under chapters 39.94 and
12 39.96 RCW or any proper bond covenant made under law.

13 NEW SECTION. **Sec. 908. BOND EXPENSES.** In addition to such other
14 appropriations as are made by this act, there is hereby appropriated to
15 the state finance committee from legally available bond proceeds in the
16 applicable construction or building funds and accounts such amounts as
17 are necessary to pay the expenses incurred in the issuance and sale of
18 the subject bonds.

19 NEW SECTION. **Sec. 909. VOLUNTARY SEPARATION INCENTIVES.** As a
20 management tool to reduce costs and make more effective use of
21 resources, while improving employee productivity and morale, agencies
22 may offer voluntary separation and/or downshifting incentives and
23 options according to procedures and guidelines established by the
24 department of personnel and the department of retirement systems in
25 consultation with the office of financial management. The options may
26 include, but are not limited to, financial incentives for: Voluntary
27 resignation and retirement, voluntary leave-without-pay, voluntary
28 workweek or work hour reduction, voluntary downward movement, or
29 temporary separation for development purposes. No employee shall have
30 a contractual right to a financial incentive offered pursuant to this
31 section. Agencies shall report on the outcomes of their plans, and
32 offers shall be reviewed and monitored jointly by the department of
33 personnel and the department of retirement systems, for reporting to
34 the office of financial management by December 1, 2006.

1 NEW SECTION. **Sec. 910. VOLUNTARY RETIREMENT INCENTIVES.** It is
2 the intent of the legislature that agencies may implement a voluntary
3 retirement incentive program that is cost neutral or results in cost
4 savings provided that such a program is approved by the director of
5 retirement systems and the office of financial management. Agencies
6 participating in this authorization are required to submit a report by
7 June 30, 2007, to the legislature and the office of financial
8 management on the outcome of their approved retirement incentive
9 program. The report should include information on the details of the
10 program including resulting service delivery changes, agency
11 efficiencies, the cost of the retirement incentive per participant, the
12 total cost to the state, and the projected or actual net dollar savings
13 over the 2005-07 biennium.

14 NEW SECTION. **Sec. 911. AGENCY EXPENDITURES FOR MOTOR VEHICLES.**
15 The use of hybrid motor vehicles reduces air contaminants, greenhouse
16 gas emissions and reliance on imported sources of petroleum. To foster
17 the use of hybrid motor vehicles, beginning July 1, 2005, before the
18 purchase or lease of a motor vehicle, state agencies should first
19 consider the feasibility of hybrid motor vehicles. State agencies
20 should strive to purchase or lease a hybrid motor vehicle when the use
21 of such vehicle is consistent with and can accomplish the agency's
22 mission and when the purchase is financially reasonable. The financial
23 assessment should include savings accruing from reduced fuel purchases
24 over the life of the vehicle. Agencies shall report on their purchases
25 of hybrid vehicles in their biennial sustainability plans as required
26 under executive order 02-03.

27 **Sec. 912.** RCW 28A.160.195 and 2004 c 276 s 904 are each amended to
28 read as follows:

29 (1) The superintendent of public instruction, in consultation with
30 the regional transportation coordinators of the educational service
31 districts, shall establish a minimum number of school bus categories
32 considering the capacity and type of vehicles required by school
33 districts in Washington. The superintendent, in consultation with the
34 regional transportation coordinators of the educational service
35 districts, shall establish competitive specifications for each category
36 of school bus. The categories shall be developed to produce minimum

1 long-range operating costs, including costs of equipment and all costs
2 in operating the vehicles. The categories, for purposes of comparative
3 studies, will be at a minimum the same as those in the beginning of the
4 1994-95 school year. The competitive specifications shall meet federal
5 motor vehicle safety standards, minimum state specifications as
6 established by rule by the superintendent, and supported options as
7 determined by the superintendent in consultation with the regional
8 transportation coordinators of the educational service districts. In
9 fiscal (~~(year 2005)~~) years 2006 and 2007, the superintendent may
10 solicit and accept price quotes for a rear-engine category school bus
11 that shall be reimbursed at the price of the corresponding front engine
12 category.

13 (2) After establishing school bus categories and competitive
14 specifications, the superintendent of public instruction shall solicit
15 competitive price quotes from school bus dealers to be in effect for
16 one year and shall (a) except in fiscal (~~(year 2005)~~) years 2006 and
17 2007, establish a list of the lowest competitive price quotes obtained
18 under this subsection, and (b) in fiscal (~~(year 2005)~~) years 2006 and
19 2007, establish a list of all accepted price quotes in each category
20 obtained under this subsection.

21 (3) The superintendent shall base the level of reimbursement to
22 school districts and educational service districts for school buses on
23 the lowest quote in each category.

24 (4) Notwithstanding RCW 28A.335.190, school districts and
25 educational service districts may purchase at the quoted price directly
26 from the dealer who is providing the lowest competitive price quote on
27 the list established under subsection (2) of this section and in fiscal
28 (~~(year 2005)~~) years 2006 and 2007 from any dealer on the list
29 established under subsection (2)(b) of this section. School districts
30 and educational service districts may make their own selections for
31 school buses, but shall be reimbursed at the rates determined under
32 subsection (3) of this section and RCW 28A.160.200. District-selected
33 options shall not be reimbursed by the state. For the (~~(2003-05)~~)
34 2005-2007 fiscal biennium, school districts and educational service
35 districts shall be reimbursed for buses purchased only through a
36 lowest-price competitive bid process conducted pursuant to RCW
37 28A.335.190 or through the state bid process established by this
38 section.

1 (5) This section does not prohibit school districts or educational
2 service districts from conducting their own competitive bid process.

3 (6) The superintendent of public instruction may adopt rules under
4 chapter 34.05 RCW to implement this section.

5 **Sec. 913.** RCW 28A.305.210 and 2003 1st sp.s. c 25 s 911 are each
6 amended to read as follows:

7 (1) The state board of education, by rule or regulation, may
8 require the assistance of educational service district boards and/or
9 superintendents in the performance of any duty, authority, or power
10 imposed upon or granted to the state board of education by law, upon
11 such terms and conditions as the state board of education shall
12 establish. Such authority to assist the state board of education shall
13 be limited to the service function of information collection and
14 dissemination and the attestment to the accuracy and completeness of
15 submitted information.

16 (2) During the ((2003-05)) 2005-2007 biennium, educational service
17 districts may, at the request of the state board of education, receive
18 and screen applications for school accreditation, conduct school
19 accreditation site visits pursuant to state board of education rules,
20 and submit to the state board of education postsite visit
21 recommendations for school accreditation. The educational service
22 districts may assess a cooperative service fee to recover actual plus
23 reasonable indirect costs for the purposes of this subsection.

24 **Sec. 914.** RCW 28A.500.030 and 2003 1st sp.s. c 25 s 912 are each
25 amended to read as follows:

26 Allocation of state matching funds to eligible districts for local
27 effort assistance shall be determined as follows:

28 (1) Funds raised by the district through maintenance and operation
29 levies shall be matched with state funds using the following ratio of
30 state funds to levy funds:

31 (a) The difference between the district's twelve percent levy rate
32 and the statewide average twelve percent levy rate; to

33 (b) The statewide average twelve percent levy rate.

34 (2) The maximum amount of state matching funds for districts
35 eligible for local effort assistance shall be the district's twelve
36 percent levy amount, multiplied by the following percentage:

1 (a) The difference between the district's twelve percent levy rate
2 and the statewide average twelve percent levy rate; divided by

3 (b) The district's twelve percent levy rate.

4 (3) Calendar year 2003 allocations and maximum eligibility under
5 this chapter shall be multiplied by 0.99.

6 (4) From January 1, 2004, to (~~June 30,~~) December 31, 2005,
7 allocations and maximum eligibility under this chapter shall be
8 multiplied by 0.937.

9 **Sec. 915.** RCW 41.05.050 and 2003 c 158 s 1 are each amended to
10 read as follows:

11 (1) Every department, division, or separate agency of state
12 government, and such county, municipal, school district, educational
13 service district, or other political subdivisions as are covered by
14 this chapter, shall provide contributions to insurance and health care
15 plans for its employees and their dependents, the content of such plans
16 to be determined by the authority. Contributions, paid by the county,
17 the municipality, or other political subdivision for their employees,
18 shall include an amount determined by the authority to pay such
19 administrative expenses of the authority as are necessary to administer
20 the plans for employees of those groups, except as provided in
21 subsection (4) of this section.

22 (2) If the authority at any time determines that the participation
23 of a county, municipal, or other political subdivision covered under
24 this chapter adversely impacts insurance rates for state employees, the
25 authority shall implement limitations on the participation of
26 additional county, municipal, or other political subdivisions.

27 (3) The contributions of any department, division, or separate
28 agency of the state government, and such county, municipal, or other
29 political subdivisions as are covered by this chapter, shall be set by
30 the authority, subject to the approval of the governor for availability
31 of funds as specifically appropriated by the legislature for that
32 purpose. Insurance and health care contributions for ferry employees
33 shall be governed by RCW 47.64.270.

34 (4)(a) Beginning September 1, 2003, the authority shall collect
35 from each participating school district and educational service
36 district an amount equal to the composite rate charged to state
37 agencies, plus an amount equal to the employee premiums by plan and

1 family size as would be charged to state employees, for groups of
2 district employees enrolled in authority plans as of January 1, 2003.
3 However, during the 2005-07 fiscal biennium, the authority shall
4 collect from each participating school district and educational service
5 district an amount equal to the insurance benefit allocations provided
6 in section 504 of this act, plus any additional funding provided by the
7 legislature for school employee health benefits, plus an amount equal
8 to the employee premiums by plan and family size as would be charged to
9 state employees, for groups of district employees enrolled in authority
10 plans as of July 1, 2005.

11 (b) For all groups of district employees enrolling in authority
12 plans for the first time after September 1, 2003, the authority shall
13 collect from each participating school district an amount equal to the
14 composite rate charged to state agencies, plus an amount equal to the
15 employee premiums by plan and by family size as would be charged to
16 state employees, only if the authority determines that this method of
17 billing the districts will not result in a material difference between
18 revenues from districts and expenditures made by the authority on
19 behalf of districts and their employees.

20 (c) If the authority determines at any time that the conditions in
21 (b) of this subsection cannot be met, the authority shall offer
22 enrollment to additional groups of district employees on a tiered rate
23 structure until such time as the authority determines there would be no
24 material difference between revenues and expenditures under a composite
25 rate structure for all district employees enrolled in authority plans.

26 (d) The authority may charge districts a one-time set-up fee for
27 employee groups enrolling in authority plans for the first time.

28 (e) For the purposes of this subsection:

29 (i) "District" means school district and educational service
30 district; and

31 (ii) "Tiered rates" means the amounts the authority must pay to
32 insuring entities by plan and by family size.

33 (f) Notwithstanding this subsection and RCW 41.05.065(3), the
34 authority may allow districts enrolled on a tiered rate structure prior
35 to September 1, 2002, to continue participation based on the same rate
36 structure and under the same conditions and eligibility criteria.

37 (5) The authority shall transmit a recommendation for the amount of

1 the employer contribution to the governor and the director of financial
2 management for inclusion in the proposed budgets submitted to the
3 legislature.

4 **Sec. 916.** RCW 41.05.120 and 1994 c 153 s 9 are each amended to
5 read as follows:

6 (1) The public employees' and retirees' insurance account is hereby
7 established in the custody of the state treasurer, to be used by the
8 administrator for the deposit of contributions, the remittance paid by
9 school districts and educational service districts (~~under RCW~~
10 ~~28A.400.400~~)), reserves, dividends, and refunds, and for payment of
11 premiums for employee and retiree insurance benefit contracts and
12 subsidy amounts provided under RCW 41.05.085. Moneys from the account
13 shall be disbursed by the state treasurer by warrants on vouchers duly
14 authorized by the administrator.

15 (2) The state treasurer and the state investment board may invest
16 moneys in the public employees' and retirees' insurance account. All
17 such investments shall be in accordance with RCW 43.84.080 or
18 43.84.150, whichever is applicable. The administrator shall determine
19 whether the state treasurer or the state investment board or both shall
20 invest moneys in the public employees' insurance account.

21 (3) During the 2005-07 fiscal biennium, the legislature may
22 transfer from the public employees' and retirees' insurance account
23 such amounts as reflect the excess fund balance of the fund.

24 **Sec. 917.** RCW 41.50.110 and 2003 1st sp.s. c 25 s 914 are each
25 amended to read as follows:

26 (1) Except as provided by RCW 41.50.255 and subsection (6) of this
27 section, all expenses of the administration of the department, the
28 expenses of administration of the retirement systems, and the expenses
29 of the administration of the office of the state actuary created in
30 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 43.43, and
31 44.44 RCW shall be paid from the department of retirement systems
32 expense fund.

33 (2) In order to reimburse the department of retirement systems
34 expense fund on an equitable basis the department shall ascertain and
35 report to each employer, as defined in RCW 41.26.030, 41.32.010,
36 41.35.010, or 41.40.010, the sum necessary to defray its proportional

1 share of the entire expense of the administration of the retirement
2 system that the employer participates in during the ensuing biennium or
3 fiscal year whichever may be required. Such sum is to be computed in
4 an amount directly proportional to the estimated entire expense of the
5 administration as the ratio of monthly salaries of the employer's
6 members bears to the total salaries of all members in the entire
7 system. It shall then be the duty of all such employers to include in
8 their budgets or otherwise provide the amounts so required.

9 (3) The department shall compute and bill each employer, as defined
10 in RCW 41.26.030, 41.32.010, 41.35.010, or 41.40.010, at the end of
11 each month for the amount due for that month to the department of
12 retirement systems expense fund and the same shall be paid as are its
13 other obligations. Such computation as to each employer shall be made
14 on a percentage rate of salary established by the department. However,
15 the department may at its discretion establish a system of billing
16 based upon calendar year quarters in which event the said billing shall
17 be at the end of each such quarter.

18 (4) The director may adjust the expense fund contribution rate for
19 each system at any time when necessary to reflect unanticipated costs
20 or savings in administering the department.

21 (5) An employer who fails to submit timely and accurate reports to
22 the department may be assessed an additional fee related to the
23 increased costs incurred by the department in processing the deficient
24 reports. Fees paid under this subsection shall be deposited in the
25 retirement system expense fund.

26 (a) Every six months the department shall determine the amount of
27 an employer's fee by reviewing the timeliness and accuracy of the
28 reports submitted by the employer in the preceding six months. If
29 those reports were not both timely and accurate the department may
30 prospectively assess an additional fee under this subsection.

31 (b) An additional fee assessed by the department under this
32 subsection shall not exceed fifty percent of the standard fee.

33 (c) The department shall adopt rules implementing this section.

34 (6) Expenses other than those under RCW 41.34.060(3) shall be paid
35 pursuant to subsection (1) of this section.

36 (7) During the (~~2003-~~) 2005-2007 fiscal biennium, the legislature
37 may transfer from the department of retirement systems' expense fund to

1 the state general fund such amounts as reflect the excess fund balance
2 of the fund.

3 **Sec. 918.** RCW 41.50.110 and 2004 c 242 s 46 are each amended to
4 read as follows:

5 (1) Except as provided by RCW 41.50.255 and subsection (6) of this
6 section, all expenses of the administration of the department, the
7 expenses of administration of the retirement systems, and the expenses
8 of the administration of the office of the state actuary created in
9 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43,
10 and 44.44 RCW shall be paid from the department of retirement systems
11 expense fund.

12 (2) In order to reimburse the department of retirement systems
13 expense fund on an equitable basis the department shall ascertain and
14 report to each employer, as defined in RCW 41.26.030, 41.32.010,
15 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its
16 proportional share of the entire expense of the administration of the
17 retirement system that the employer participates in during the ensuing
18 biennium or fiscal year whichever may be required. Such sum is to be
19 computed in an amount directly proportional to the estimated entire
20 expense of the administration as the ratio of monthly salaries of the
21 employer's members bears to the total salaries of all members in the
22 entire system. It shall then be the duty of all such employers to
23 include in their budgets or otherwise provide the amounts so required.

24 (3) The department shall compute and bill each employer, as defined
25 in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the
26 end of each month for the amount due for that month to the department
27 of retirement systems expense fund and the same shall be paid as are
28 its other obligations. Such computation as to each employer shall be
29 made on a percentage rate of salary established by the department.
30 However, the department may at its discretion establish a system of
31 billing based upon calendar year quarters in which event the said
32 billing shall be at the end of each such quarter.

33 (4) The director may adjust the expense fund contribution rate for
34 each system at any time when necessary to reflect unanticipated costs
35 or savings in administering the department.

36 (5) An employer who fails to submit timely and accurate reports to
37 the department may be assessed an additional fee related to the

1 increased costs incurred by the department in processing the deficient
2 reports. Fees paid under this subsection shall be deposited in the
3 retirement system expense fund.

4 (a) Every six months the department shall determine the amount of
5 an employer's fee by reviewing the timeliness and accuracy of the
6 reports submitted by the employer in the preceding six months. If
7 those reports were not both timely and accurate the department may
8 prospectively assess an additional fee under this subsection.

9 (b) An additional fee assessed by the department under this
10 subsection shall not exceed fifty percent of the standard fee.

11 (c) The department shall adopt rules implementing this section.

12 (6) Expenses other than those under RCW 41.34.060(3) shall be paid
13 pursuant to subsection (1) of this section.

14 (7) During the (~~2003-~~) 2005-2007 fiscal biennium, the legislature
15 may transfer from the department of retirement systems' expense fund to
16 the state general fund such amounts as reflect the excess fund balance
17 of the fund.

18 **Sec. 919.** RCW 43.07.130 and 1994 c 211 s 1311 are each amended to
19 read as follows:

20 There is created within the state treasury a revolving fund, to be
21 known as the "secretary of state's revolving fund," which shall be used
22 by the office of the secretary of state to defray the costs of
23 printing, reprinting, or distributing printed matter authorized by law
24 to be issued by the office of the secretary of state, and any other
25 cost of carrying out the functions of the secretary of state under
26 Title 23B RCW, or chapters 18.100, 23.86, 23.90, 24.03, 24.06, 24.12,
27 24.20, 24.24, 24.28, 24.36, 25.15, or 25.10 RCW.

28 The secretary of state is hereby authorized to charge a fee for
29 such publications in an amount which will compensate for the costs of
30 printing, reprinting, and distributing such printed matter. Fees
31 recovered by the secretary of state under RCW 43.07.120(2), 23B.01.220
32 (1)(e), (6) and (7), 23B.18.050, 24.03.410, 24.06.455, or 46.64.040,
33 and such other moneys as are expressly designated for deposit in the
34 secretary of state's revolving fund shall be placed in the secretary of
35 state's revolving fund.

36 During the 2005-2007 fiscal biennium, the legislature may transfer

1 from the secretary of state's revolving fund to the state general fund
2 such amounts as reflect the excess fund balance of the fund.

3 **Sec. 920.** RCW 43.08.190 and 2003 1st sp.s. c 25 s 916 are each
4 amended to read as follows:

5 There is hereby created a fund within the state treasury to be
6 known as the "state treasurer's service fund". Such fund shall be used
7 solely for the payment of costs and expenses incurred in the operation
8 and administration of the state treasurer's office.

9 Moneys shall be allocated monthly and placed in the state
10 treasurer's service fund equivalent to a maximum of one percent of the
11 trust and treasury average daily cash balances from the earnings
12 generated under the authority of RCW 43.79A.040 and 43.84.080 other
13 than earnings generated from investment of balances in funds and
14 accounts specified in RCW (~~(43.79.040)~~) 43.79A.040 or 43.84.092(4)(b).
15 The allocation shall precede the distribution of the remaining earnings
16 as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer
17 shall establish a uniform allocation rate based on the appropriations
18 for the treasurer's office.

19 During the (~~(2003-)~~) 2005-2007 fiscal biennium, the legislature may
20 transfer from the state treasurer's service fund to the state general
21 fund such amounts as reflect the excess fund balance of the fund.

22 **Sec. 921.** RCW 43.08.250 and 2003 1st sp.s. c 25 s 918 are each
23 amended to read as follows:

24 The money received by the state treasurer from fees, fines,
25 forfeitures, penalties, reimbursements or assessments by any court
26 organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be
27 deposited in the public safety and education account which is hereby
28 created in the state treasury. The legislature shall appropriate the
29 funds in the account to promote traffic safety education, highway
30 safety, criminal justice training, crime victims' compensation,
31 judicial education, the judicial information system, civil
32 representation of indigent persons, winter recreation parking, drug
33 court operations, and state game programs. During the fiscal biennium
34 ending June 30, (~~(2005)~~) 2007, the legislature may appropriate moneys
35 from the public safety and education account for purposes of appellate
36 indigent defense and other operations of the office of public defense,

1 the criminal litigation unit of the attorney general's office, the
2 treatment alternatives to street crimes program, crime victims advocacy
3 programs, justice information network telecommunication planning,
4 treatment for supplemental security income clients, sexual assault
5 treatment, operations of the office of administrator for the courts,
6 security in the common schools, alternative school start-up grants,
7 programs for disruptive students, criminal justice data collection,
8 Washington state patrol criminal justice activities, drug court
9 operations, unified family courts, local court backlog assistance,
10 financial assistance to local jurisdictions for extraordinary costs
11 incurred in the adjudication of criminal cases, domestic violence
12 treatment and related services, the department of corrections' costs in
13 implementing chapter 196, Laws of 1999, reimbursement of local
14 governments for costs associated with implementing criminal and civil
15 justice legislation, the replacement of the department of corrections'
16 offender-based tracking system, secure and semi-secure crisis
17 residential centers, HOPE beds, the family policy council and community
18 public health and safety networks, the street youth program, public
19 notification about registered sex offenders, and narcotics or
20 methamphetamine-related enforcement, education, training, and drug and
21 alcohol treatment services.

22 **Sec. 922.** RCW 43.10.180 and 2003 1st sp.s. c 25 s 917 are each
23 amended to read as follows:

24 (1) The attorney general shall keep such records as are necessary
25 to facilitate proper allocation of costs to funds and agencies served
26 and the director of financial management shall prescribe appropriate
27 accounting procedures to accurately allocate costs to funds and
28 agencies served. Billings shall be adjusted in line with actual costs
29 incurred at intervals not to exceed six months.

30 (2) During the ((2003-05)) 2005-2007 fiscal biennium, all expenses
31 for administration of the office of the attorney general shall be
32 allocated to and paid from the legal services revolving fund in
33 accordance with accounting procedures prescribed by the director of
34 financial management.

35 **Sec. 923.** RCW 43.43.944 and 2003 1st sp.s. c 25 s 919 are each
36 amended to read as follows:

1 (1) The fire service training account is hereby established in the
2 state treasury. The fund shall consist of:

3 (a) All fees received by the Washington state patrol for fire
4 service training;

5 (b) All grants and bequests accepted by the Washington state patrol
6 under RCW 43.43.940; and

7 (c) Twenty percent of all moneys received by the state on fire
8 insurance premiums.

9 (2) Moneys in the account may be appropriated only for fire service
10 training. During the ((2003-2005)) 2005-2007 fiscal biennium, the
11 legislature may appropriate funds from this account for school fire
12 prevention activities within the Washington state patrol.

13 **Sec. 924.** RCW 43.70.320 and 1993 c 492 s 411 are each amended to
14 read as follows:

15 (1) There is created in the state treasury an account to be known
16 as the health professions account. All fees received by the department
17 for health professions licenses, registration, certifications,
18 renewals, or examinations and the civil penalties assessed and
19 collected by the department under RCW 18.130.190 shall be forwarded to
20 the state treasurer who shall credit such moneys to the health
21 professions account.

22 (2) All expenses incurred in carrying out the health professions
23 licensing activities of the department shall be paid from the account
24 as authorized by legislative appropriation. Any residue in the account
25 shall be accumulated and shall not revert to the general fund at the
26 end of the biennium.

27 (3) The secretary shall biennially prepare a budget request based
28 on the anticipated costs of administering the health professions
29 licensing activities of the department which shall include the
30 estimated income from health professions fees.

31 (4) During the 2005-07 fiscal biennium, the legislature may
32 appropriate moneys in the health professions account for the purpose of
33 grants to a central nursing resource center.

34 **Sec. 925.** RCW 43.72.900 and 2003 c 259 s 1 are each amended to
35 read as follows:

36 (1) The health services account is created in the state treasury.

1 Moneys in the account may be spent only after appropriation. Subject
2 to the transfers described in subsection (3) of this section, moneys in
3 the account may be expended only for maintaining and expanding health
4 services access for low-income residents, maintaining and expanding the
5 public health system, maintaining and improving the capacity of the
6 health care system, containing health care costs, and the regulation,
7 planning, and administering of the health care system.

8 (2) Funds deposited into the health services account under RCW
9 82.24.028 and 82.26.028 shall be used solely as follows:

10 (a) Five million dollars for the state fiscal year beginning July
11 1, 2002, and five million dollars for the state fiscal year beginning
12 July 1, 2003, shall be appropriated by the legislature for programs
13 that effectively improve the health of low-income persons, including
14 efforts to reduce diseases and illnesses that harm low-income persons.
15 The department of health shall submit a report to the legislature on
16 March 1, 2002, evaluating the cost-effectiveness of programs that
17 improve the health of low-income persons and address diseases and
18 illnesses that disproportionately affect low-income persons, and making
19 recommendations to the legislature on which of these programs could
20 most effectively utilize the funds appropriated under this subsection.

21 (b) Ten percent of the funds deposited into the health services
22 account under RCW 82.24.028 and 82.26.028 remaining after the
23 appropriation under (a) of this subsection shall be transferred no less
24 frequently than annually by the treasurer to the tobacco prevention and
25 control account established by RCW 43.79.480. The funds transferred
26 shall be used exclusively for implementation of the Washington state
27 tobacco prevention and control plan and shall be used only to
28 supplement, and not supplant, funds in the tobacco prevention and
29 control account as of January 1, 2001, however, these funds may be used
30 to replace funds appropriated by the legislature for further
31 implementation of the Washington state tobacco prevention and control
32 plan for the biennium beginning July 1, 2001. For each state fiscal
33 year beginning on and after July 1, 2002, the legislature shall
34 appropriate no less than twenty-six million two hundred forty thousand
35 dollars from the tobacco prevention and control account for
36 implementation of the Washington state tobacco prevention and control
37 plan.

1 (c) Because of its demonstrated effectiveness in improving the
2 health of low-income persons and addressing illnesses and diseases that
3 harm low-income persons, the remainder of the funds deposited into the
4 health services account under RCW 82.24.028 and 82.26.028 shall be
5 appropriated solely for Washington basic health plan enrollment as
6 provided in chapter 70.47 RCW. Funds appropriated under this
7 subsection may be used to support outreach and enrollment activities
8 only to the extent necessary to achieve the enrollment goals described
9 in this section.

10 (3) Prior to expenditure for the purposes described in subsection
11 (2) of this section, funds deposited into the health services account
12 under RCW 82.24.028 and 82.26.028 shall first be transferred to the
13 following accounts to ensure the continued availability of previously
14 dedicated revenues for certain existing programs:

15 (a) To the violence reduction and drug enforcement account under
16 RCW 69.50.520, two million two hundred forty-nine thousand five hundred
17 dollars for the state fiscal year beginning July 1, 2001, four million
18 two hundred forty-eight thousand dollars for the state fiscal year
19 beginning July 1, 2002, seven million seven hundred eighty-nine
20 thousand dollars for the biennium beginning July 1, 2003, six million
21 nine hundred thirty-two thousand dollars for the biennium beginning
22 July 1, 2005, and six million nine hundred thirty-two thousand dollars
23 for each biennium thereafter, as required by RCW 82.24.020(2);

24 (b) To the health services account under this section, nine million
25 seventy-seven thousand dollars for the state fiscal year beginning July
26 1, 2001, seventeen million one hundred eighty-eight thousand dollars
27 for the state fiscal year beginning July 1, 2002, thirty-one million
28 seven hundred fifty-five thousand dollars for the biennium beginning
29 July 1, 2003, twenty-eight million six hundred twenty-two thousand
30 dollars for the biennium beginning July 1, 2005, and twenty-eight
31 million six hundred twenty-two thousand dollars for each biennium
32 thereafter, as required by RCW 82.24.020(3); and

33 (c) To the water quality account under RCW 70.146.030, two million
34 two hundred three thousand five hundred dollars for the state fiscal
35 year beginning July 1, 2001, four million two hundred forty-four
36 thousand dollars for the state fiscal year beginning July 1, 2002,
37 eight million one hundred eighty-two thousand dollars for the biennium
38 beginning July 1, 2003, seven million eight hundred eighty-five

1 thousand dollars for the biennium beginning July 1, 2005, and seven
2 million eight hundred eighty-five thousand dollars for each biennium
3 thereafter, as required by RCW 82.24.027(2)(a).

4 During the (~~2001-2003~~) 2005-2007 fiscal biennium, the legislature
5 may transfer from the health services account such amounts as reflect
6 the excess fund balance of the account to the state general fund.

7 **Sec. 926.** RCW 43.320.110 and 2003 1st sp.s. c 25 s 921 and 2003 c
8 288 s 1 are each reenacted and amended to read as follows:

9 There is created a local fund known as the "financial services
10 regulation fund" which shall consist of all moneys received by the
11 divisions of the department of financial institutions, except for the
12 division of securities which shall deposit thirteen percent of all
13 moneys received, except as provided in RCW 43.320.115, and which shall
14 be used for the purchase of supplies and necessary equipment; the
15 payment of salaries, wages, and utilities; the establishment of
16 reserves; and other incidental costs required for the proper regulation
17 of individuals and entities subject to regulation by the department.
18 The state treasurer shall be the custodian of the fund. Disbursements
19 from the fund shall be on authorization of the director of financial
20 institutions or the director's designee. In order to maintain an
21 effective expenditure and revenue control, the fund shall be subject in
22 all respects to chapter 43.88 RCW, but no appropriation is required to
23 permit expenditures and payment of obligations from the fund.

24 During the 2005-2007 fiscal biennium, the legislature may transfer
25 from the financial services regulation fund to the state general fund
26 such amounts as reflect the excess fund balance of the fund.

27 **Sec. 927.** RCW 50.20.190 and 2003 2nd sp.s. c 4 s 26 are each
28 amended to read as follows:

29 (1) An individual who is paid any amount as benefits under this
30 title to which he or she is not entitled shall, unless otherwise
31 relieved pursuant to this section, be liable for repayment of the
32 amount overpaid. The department shall issue an overpayment assessment
33 setting forth the reasons for and the amount of the overpayment. The
34 amount assessed, to the extent not collected, may be deducted from any
35 future benefits payable to the individual: PROVIDED, That in the
36 absence of a back pay award, a settlement affecting the allowance of

1 benefits, fraud, misrepresentation, or willful nondisclosure, every
2 determination of liability shall be mailed or personally served not
3 later than two years after the close of or final payment made on the
4 individual's applicable benefit year for which the purported
5 overpayment was made, whichever is later, unless the merits of the
6 claim are subjected to administrative or judicial review in which event
7 the period for serving the determination of liability shall be extended
8 to allow service of the determination of liability during the six-month
9 period following the final decision affecting the claim.

10 (2) The commissioner may waive an overpayment if the commissioner
11 finds that the overpayment was not the result of fraud,
12 misrepresentation, willful nondisclosure, or fault attributable to the
13 individual and that the recovery thereof would be against equity and
14 good conscience: PROVIDED, HOWEVER, That the overpayment so waived
15 shall be charged against the individual's applicable entitlement for
16 the eligibility period containing the weeks to which the overpayment
17 was attributed as though such benefits had been properly paid.

18 (3) Any assessment herein provided shall constitute a determination
19 of liability from which an appeal may be had in the same manner and to
20 the same extent as provided for appeals relating to determinations in
21 respect to claims for benefits: PROVIDED, That an appeal from any
22 determination covering overpayment only shall be deemed to be an appeal
23 from the determination which was the basis for establishing the
24 overpayment unless the merits involved in the issue set forth in such
25 determination have already been heard and passed upon by the appeal
26 tribunal. If no such appeal is taken to the appeal tribunal by the
27 individual within thirty days of the delivery of the notice of
28 determination of liability, or within thirty days of the mailing of the
29 notice of determination, whichever is the earlier, the determination of
30 liability shall be deemed conclusive and final. Whenever any such
31 notice of determination of liability becomes conclusive and final, the
32 commissioner, upon giving at least twenty days notice by certified mail
33 return receipt requested to the individual's last known address of the
34 intended action, may file with the superior court clerk of any county
35 within the state a warrant in the amount of the notice of determination
36 of liability plus a filing fee under RCW 36.18.012(10). The clerk of
37 the county where the warrant is filed shall immediately designate a
38 superior court cause number for the warrant, and the clerk shall cause

1 to be entered in the judgment docket under the superior court cause
2 number assigned to the warrant, the name of the person(s) mentioned in
3 the warrant, the amount of the notice of determination of liability,
4 and the date when the warrant was filed. The amount of the warrant as
5 docketed shall become a lien upon the title to, and any interest in,
6 all real and personal property of the person(s) against whom the
7 warrant is issued, the same as a judgment in a civil case duly docketed
8 in the office of such clerk. A warrant so docketed shall be sufficient
9 to support the issuance of writs of execution and writs of garnishment
10 in favor of the state in the manner provided by law for a civil
11 judgment. A copy of the warrant shall be mailed to the person(s)
12 mentioned in the warrant by certified mail to the person's last known
13 address within five days of its filing with the clerk.

14 (4) On request of any agency which administers an employment
15 security law of another state, the United States, or a foreign
16 government and which has found in accordance with the provisions of
17 such law that a claimant is liable to repay benefits received under
18 such law, the commissioner may collect the amount of such benefits from
19 the claimant to be refunded to the agency. In any case in which under
20 this section a claimant is liable to repay any amount to the agency of
21 another state, the United States, or a foreign government, such amounts
22 may be collected without interest by civil action in the name of the
23 commissioner acting as agent for such agency if the other state, the
24 United States, or the foreign government extends such collection rights
25 to the employment security department of the state of Washington, and
26 provided that the court costs be paid by the governmental agency
27 benefiting from such collection.

28 (5) Any employer who is a party to a back pay award or settlement
29 due to loss of wages shall, within thirty days of the award or
30 settlement, report to the department the amount of the award or
31 settlement, the name and social security number of the recipient of the
32 award or settlement, and the period for which it is awarded. When an
33 individual has been awarded or receives back pay, for benefit purposes
34 the amount of the back pay shall constitute wages paid in the period
35 for which it was awarded. For contribution purposes, the back pay
36 award or settlement shall constitute wages paid in the period in which
37 it was actually paid. The following requirements shall also apply:

1 (a) The employer shall reduce the amount of the back pay award or
2 settlement by an amount determined by the department based upon the
3 amount of unemployment benefits received by the recipient of the award
4 or settlement during the period for which the back pay award or
5 settlement was awarded;

6 (b) The employer shall pay to the unemployment compensation fund,
7 in a manner specified by the commissioner, an amount equal to the
8 amount of such reduction;

9 (c) The employer shall also pay to the department any taxes due for
10 unemployment insurance purposes on the entire amount of the back pay
11 award or settlement notwithstanding any reduction made pursuant to (a)
12 of this subsection;

13 (d) If the employer fails to reduce the amount of the back pay
14 award or settlement as required in (a) of this subsection, the
15 department shall issue an overpayment assessment against the recipient
16 of the award or settlement in the amount that the back pay award or
17 settlement should have been reduced; and

18 (e) If the employer fails to pay to the department an amount equal
19 to the reduction as required in (b) of this subsection, the department
20 shall issue an assessment of liability against the employer which shall
21 be collected pursuant to the procedures for collection of assessments
22 provided herein and in RCW 50.24.110.

23 (6) When an individual fails to repay an overpayment assessment
24 that is due and fails to arrange for satisfactory repayment terms, the
25 commissioner shall impose an interest penalty of one percent per month
26 of the outstanding balance. Interest shall accrue immediately on
27 overpayments assessed pursuant to RCW 50.20.070 and shall be imposed
28 when the assessment becomes final. For any other overpayment, interest
29 shall accrue when the individual has missed two or more of the
30 individual's monthly payments either partially or in full. The
31 interest penalty shall be used, first, to fully fund either social
32 security number cross-match audits or other more effective activities
33 that ensure that individuals are entitled to all amounts of benefits
34 that they are paid (~~and~~), second, to fund other detection and
35 recovery of overpayment and collection activities and, third, during
36 the 2005-07 fiscal biennium, to the cost of the job skills program and
37 one-time funding associated with expanding curricula and enrollment in

1 high-demand fields by the community and technical colleges as
2 appropriated by the legislature.

3 **Sec. 928.** RCW 50.16.010 and 2003 2nd sp.s. c 4 s 23 and 2003 1st
4 sp.s. c 25 s 925 are each reenacted and amended to read as follows:

5 (1) There shall be maintained as special funds, separate and apart
6 from all public moneys or funds of this state an unemployment
7 compensation fund, an administrative contingency fund, and a federal
8 interest payment fund, which shall be administered by the commissioner
9 exclusively for the purposes of this title, and to which RCW 43.01.050
10 shall not be applicable.

11 (2)(a) The unemployment compensation fund shall consist of:

12 (i) All contributions collected under RCW 50.24.010 and payments in
13 lieu of contributions collected pursuant to the provisions of this
14 title;

15 (ii) Any property or securities acquired through the use of moneys
16 belonging to the fund;

17 (iii) All earnings of such property or securities;

18 (iv) Any moneys received from the federal unemployment account in
19 the unemployment trust fund in accordance with Title XII of the social
20 security act, as amended;

21 (v) All money recovered on official bonds for losses sustained by
22 the fund;

23 (vi) All money credited to this state's account in the unemployment
24 trust fund pursuant to section 903 of the social security act, as
25 amended;

26 (vii) All money received from the federal government as
27 reimbursement pursuant to section 204 of the federal-state extended
28 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and

29 (viii) All moneys received for the fund from any other source.

30 (b) All moneys in the unemployment compensation fund shall be
31 commingled and undivided.

32 (3)(a) Except as provided in (b) of this subsection, the
33 administrative contingency fund shall consist of:

34 (i) All interest on delinquent contributions collected pursuant to
35 this title;

36 (ii) All fines and penalties collected pursuant to the provisions
37 of this title;

1 (iii) All sums recovered on official bonds for losses sustained by
2 the fund; and

3 (iv) Revenue received under RCW 50.24.014.

4 (b) All fees, fines, forfeitures, and penalties collected or
5 assessed by a district court because of the violation of this title or
6 rules adopted under this title shall be remitted as provided in chapter
7 3.62 RCW.

8 (c) Moneys available in the administrative contingency fund, other
9 than money in the special account created under RCW 50.24.014(1)(a),
10 shall be expended upon the direction of the commissioner, with the
11 approval of the governor, whenever it appears to him or her that such
12 expenditure is necessary solely for:

13 (i) The proper administration of this title and no federal funds
14 are available for the specific purpose to which such expenditure is to
15 be made, provided, the moneys are not substituted for appropriations
16 from federal funds which, in the absence of such moneys, would be made
17 available.

18 (ii) The proper administration of this title for which purpose
19 appropriations from federal funds have been requested but not yet
20 received, provided, the administrative contingency fund will be
21 reimbursed upon receipt of the requested federal appropriation.

22 (iii) The proper administration of this title for which compliance
23 and audit issues have been identified that establish federal claims
24 requiring the expenditure of state resources in resolution. Claims
25 must be resolved in the following priority: First priority is to
26 provide services to eligible participants within the state; second
27 priority is to provide substitute services or program support; and last
28 priority is the direct payment of funds to the federal government.

29 (d) During the (~~2003-2005~~) 2005-2007 fiscal biennium, the cost of
30 the job skills program and (~~the alliance for corporate education at~~)
31 one-time funding associated with expanding curricula and enrollment in
32 high-demand fields by the community and technical colleges as
33 appropriated by the legislature.

34 Money in the special account created under RCW 50.24.014(1)(a) may
35 only be expended, after appropriation, for the purposes specified in
36 this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014,
37 50.44.053, and 50.22.010.

1 **Sec. 929.** RCW 66.16.010 and 2003 1st sp.s. c 25 s 928 are each
2 amended to read as follows:

3 (1) There shall be established at such places throughout the state
4 as the liquor control board, constituted under this title, shall deem
5 advisable, stores to be known as "state liquor stores," for the sale of
6 liquor in accordance with the provisions of this title and the
7 regulations: PROVIDED, That the prices of all liquor shall be fixed by
8 the board from time to time so that the net annual revenue received by
9 the board therefrom shall not exceed thirty-five percent. Effective no
10 later than (~~September 1, 2003~~) July 1, 2005, the liquor control board
11 shall add an equivalent surcharge of \$0.42 per liter on all retail
12 sales of spirits, excluding licensee, military, and tribal sales. The
13 intent of this surcharge is to raise (~~(\$14,000,000 in additional)~~)
14 revenue for the general fund-state (~~(revenue)~~) for the (~~(2003-)~~)2005-
15 2007 biennium. (~~(To the extent that a lesser surcharge is sufficient~~
16 ~~to raise \$14,000,000, the board may reduce the amount of the~~
17 ~~surcharge.)~~) The board shall remove the surcharge (~~(once it generates~~
18 ~~\$14,000,000, but no later than)~~) June 30, (~~(2005)~~) 2007.

19 (2) The liquor control board may, from time to time, fix the
20 special price at which pure ethyl alcohol may be sold to physicians and
21 dentists and institutions regularly conducted as hospitals, for use or
22 consumption only in such hospitals; and may also fix the special price
23 at which pure ethyl alcohol may be sold to schools, colleges and
24 universities within the state for use for scientific purposes.
25 Regularly conducted hospitals may have right to purchase pure ethyl
26 alcohol on a federal permit.

27 (3) The liquor control board may also fix the special price at
28 which pure ethyl alcohol may be sold to any department, branch or
29 institution of the state of Washington, federal government, or to any
30 person engaged in a manufacturing or industrial business or in
31 scientific pursuits requiring alcohol for use therein.

32 (4) The liquor control board may also fix a special price at which
33 pure ethyl alcohol may be sold to any private individual, and shall
34 make regulations governing such sale of alcohol to private individuals
35 as shall promote, as nearly as may be, the minimum purchase of such
36 alcohol by such persons.

1 **Sec. 930.** RCW 67.40.040 and 2003 1st sp.s. c 25 s 929 are each
2 amended to read as follows:

3 (1) The proceeds from the sale of the bonds authorized in RCW
4 67.40.030, proceeds of the taxes imposed under RCW 67.40.090 and
5 67.40.130, and all other moneys received by the state convention and
6 trade center from any public or private source which are intended to
7 fund the acquisition, design, construction, expansion, exterior cleanup
8 and repair of the Eagles building, conversion of various retail and
9 other space to meeting rooms, purchase of the land and building known
10 as the McKay Parcel, development of low-income housing, or renovation
11 of the center, and those expenditures authorized under RCW 67.40.170
12 shall be deposited in the state convention and trade center account
13 hereby created in the state treasury and in such subaccounts as are
14 deemed appropriate by the directors of the corporation.

15 (2) Moneys in the account, including unanticipated revenues under
16 RCW 43.79.270, shall be used exclusively for the following purposes in
17 the following priority:

18 (a) For reimbursement of the state general fund under RCW
19 67.40.060;

20 (b) After appropriation by statute:

21 (i) For payment of expenses incurred in the issuance and sale of
22 the bonds issued under RCW 67.40.030;

23 (ii) For expenditures authorized in RCW 67.40.170;

24 (iii) For acquisition, design, and construction of the state
25 convention and trade center; and

26 (iv) For reimbursement of any expenditures from the state general
27 fund in support of the state convention and trade center; and

28 (c) For transfer to the state convention and trade center
29 operations account.

30 (3) The corporation shall identify with specificity those
31 facilities of the state convention and trade center that are to be
32 financed with proceeds of general obligation bonds, the interest on
33 which is intended to be excluded from gross income for federal income
34 tax purposes. The corporation shall not permit the extent or manner of
35 private business use of those bond-financed facilities to be
36 inconsistent with treatment of such bonds as governmental bonds under
37 applicable provisions of the Internal Revenue Code of 1986, as amended.

1 (4) In order to ensure consistent treatment of bonds authorized
2 under RCW 67.40.030 with applicable provisions of the Internal Revenue
3 Code of 1986, as amended, and notwithstanding RCW 43.84.092, investment
4 earnings on bond proceeds deposited in the state convention and trade
5 center account in the state treasury shall be retained in the account,
6 and shall be expended by the corporation for the purposes authorized
7 under chapter 386, Laws of 1995 and in a manner consistent with
8 applicable provisions of the Internal Revenue Code of 1986, as amended.

9 (5) During the (~~2003-~~) 2005-2007 fiscal biennium, the legislature
10 may transfer from the state convention and trade center account to the
11 state general fund such amounts as reflect the excess fund balance of
12 the account.

13 **Sec. 931.** RCW 69.50.520 and 2004 c 276 s 912 are each amended to
14 read as follows:

15 The violence reduction and drug enforcement account is created in
16 the state treasury. All designated receipts from RCW 9.41.110(8),
17 66.24.210(4), 66.24.290(2), 69.50.505(9)(a), 82.08.150(5),
18 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989
19 shall be deposited into the account. Expenditures from the account may
20 be used only for funding services and programs under chapter 271, Laws
21 of 1989 and chapter 7, Laws of 1994 sp. sess., including state
22 incarceration costs. Funds from the account may also be appropriated
23 to reimburse local governments for costs associated with implementing
24 criminal justice legislation including chapter 338, Laws of 1997.
25 During the (~~2003-2005~~) 2005-2007 biennium, funds from the account may
26 also be used for costs associated with providing grants to local
27 governments in accordance with chapter 338, Laws of 1997, funding drug
28 offender treatment services in accordance with RCW 70.96A.350,
29 maintenance and operating costs of the Washington association of
30 sheriffs and police chiefs jail reporting system, maintenance and
31 operating costs of the juvenile rehabilitation administration's client
32 activity tracking system, civil indigent legal representation,
33 multijurisdictional narcotics task forces, and grants to community
34 networks under chapter 70.190 RCW by the family policy council.

35 **Sec. 932.** RCW 70.93.180 and 1998 c 257 s 5 are each amended to
36 read as follows:

1 (1) There is hereby created an account within the state treasury to
2 be known as the "waste reduction, recycling, and litter control
3 account". Moneys in the account may be spent only after appropriation.
4 Expenditures from the waste reduction, recycling, and litter control
5 account shall be used as follows:

6 (a) Fifty percent to the department of ecology, for use by the
7 departments of ecology, natural resources, revenue, transportation, and
8 corrections, and the parks and recreation commission, for use in litter
9 collection programs, to be distributed under RCW 70.93.220. The amount
10 to the department of ecology shall also be used for a central
11 coordination function for litter control efforts statewide, for the
12 biennial litter survey under RCW 70.93.200(8), and for statewide public
13 awareness programs under RCW 70.93.200(7). The amount to the
14 department shall also be used to defray the costs of administering the
15 funding, coordination, and oversight of local government programs for
16 waste reduction, litter control, and recycling, so that local
17 governments can apply one hundred percent of their funding to achieving
18 program goals. The amount to the department of revenue shall be used
19 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

20 (b) Twenty percent to the department for local government funding
21 programs for waste reduction, litter control, and recycling activities
22 by cities and counties under RCW 70.93.250, to be administered by the
23 department of ecology; and

24 (c) Thirty percent to the department of ecology for waste reduction
25 and recycling efforts.

26 (2) All taxes imposed in RCW 82.19.010 and fines and bail
27 forfeitures collected or received pursuant to this chapter shall be
28 deposited in the waste reduction, recycling, and litter control account
29 and used for the programs under subsection (1) of this section.

30 (3) Not less than five percent and no more than ten percent of the
31 amount appropriated into the waste reduction, recycling, and litter
32 control account every biennium shall be reserved for capital needs,
33 including the purchase of vehicles for transporting crews and for
34 collecting litter and solid waste. Capital funds shall be distributed
35 among state agencies and local governments according to the same
36 criteria provided in RCW 70.93.220 for the remainder of the funds, so
37 that the most effective waste reduction, litter control, and recycling
38 programs receive the most funding. The intent of this subsection is to

1 provide funds for the purchase of equipment that will enable the
2 department to account for the greatest return on investment in terms of
3 reaching a zero litter goal.

4 (4) During the 2005-2007 fiscal biennium, the legislature may
5 transfer from the waste reduction, recycling, and litter control
6 account to the state general fund such amounts as reflect the excess
7 fund balance of the account.

8 **Sec. 933.** RCW 70.105D.070 and 2003 1st sp.s. c 25 s 933 are each
9 amended to read as follows:

10 (1) The state toxics control account and the local toxics control
11 account are hereby created in the state treasury.

12 (2) The following moneys shall be deposited into the state toxics
13 control account: (a) Those revenues which are raised by the tax
14 imposed under RCW 82.21.030 and which are attributable to that portion
15 of the rate equal to thirty-three one-hundredths of one percent; (b)
16 the costs of remedial actions recovered under this chapter or chapter
17 70.105A RCW; (c) penalties collected or recovered under this chapter;
18 and (d) any other money appropriated or transferred to the account by
19 the legislature. Moneys in the account may be used only to carry out
20 the purposes of this chapter, including but not limited to the
21 following activities:

22 (i) The state's responsibility for hazardous waste planning,
23 management, regulation, enforcement, technical assistance, and public
24 education required under chapter 70.105 RCW;

25 (ii) The state's responsibility for solid waste planning,
26 management, regulation, enforcement, technical assistance, and public
27 education required under chapter 70.95 RCW;

28 (iii) The hazardous waste cleanup program required under this
29 chapter;

30 (iv) State matching funds required under the federal cleanup law;

31 (v) Financial assistance for local programs in accordance with
32 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

33 (vi) State government programs for the safe reduction, recycling,
34 or disposal of hazardous wastes from households, small businesses, and
35 agriculture;

36 (vii) Hazardous materials emergency response training;

1 (viii) Water and environmental health protection and monitoring
2 programs;

3 (ix) Programs authorized under chapter 70.146 RCW;

4 (x) A public participation program, including regional citizen
5 advisory committees;

6 (xi) Public funding to assist potentially liable persons to pay for
7 the costs of remedial action in compliance with cleanup standards under
8 RCW 70.105D.030(2)(e) but only when the amount and terms of such
9 funding are established under a settlement agreement under RCW
10 70.105D.040(4) and when the director has found that the funding will
11 achieve both (A) a substantially more expeditious or enhanced cleanup
12 than would otherwise occur, and (B) the prevention or mitigation of
13 unfair economic hardship; and

14 (xii) Development and demonstration of alternative management
15 technologies designed to carry out the top two hazardous waste
16 management priorities of RCW 70.105.150.

17 (3) The following moneys shall be deposited into the local toxics
18 control account: Those revenues which are raised by the tax imposed
19 under RCW 82.21.030 and which are attributable to that portion of the
20 rate equal to thirty-seven one-hundredths of one percent.

21 (a) Moneys deposited in the local toxics control account shall be
22 used by the department for grants or loans to local governments for the
23 following purposes in descending order of priority: (i) Remedial
24 actions; (ii) hazardous waste plans and programs under chapter 70.105
25 RCW; (iii) solid waste plans and programs under chapters 70.95, 70.95C,
26 70.95I, and 70.105 RCW; (iv) funds for a program to assist in the
27 assessment and cleanup of sites of methamphetamine production, but not
28 to be used for the initial containment of such sites, consistent with
29 the responsibilities and intent of RCW 69.50.511; and (v) cleanup and
30 disposal of hazardous substances from abandoned or derelict vessels
31 that pose a threat to human health or the environment. For purposes of
32 this subsection (3)(a)(v), "abandoned or derelict vessels" means
33 vessels that have little or no value and either have no identified
34 owner or have an identified owner lacking financial resources to clean
35 up and dispose of the vessel. Funds for plans and programs shall be
36 allocated consistent with the priorities and matching requirements
37 established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During
38 the 1999-2001 fiscal biennium, moneys in the account may also be used

1 for the following activities: Conducting a study of whether dioxins
2 occur in fertilizers, soil amendments, and soils; reviewing
3 applications for registration of fertilizers; and conducting a study of
4 plant uptake of metals. During the ((2003-05)) 2005-2007 fiscal
5 biennium, the legislature may transfer from the local toxics control
6 account to the state toxics control account such amounts as specified
7 in the omnibus operating budget bill for methamphetamine lab cleanup.
8 During the 2005-2007 fiscal biennium, moneys in the account may also be
9 used for grants to local governments to retrofit public sector diesel
10 equipment and for storm water planning and implementation activities.

11 (b) Funds may also be appropriated to the department of health to
12 implement programs to reduce testing requirements under the federal
13 safe drinking water act for public water systems. The department of
14 health shall reimburse the account from fees assessed under RCW
15 70.119A.115 by June 30, 1995.

16 (4) Except for unanticipated receipts under RCW 43.79.260 through
17 43.79.282, moneys in the state and local toxics control accounts may be
18 spent only after appropriation by statute.

19 (5) One percent of the moneys deposited into the state and local
20 toxics control accounts shall be allocated only for public
21 participation grants to persons who may be adversely affected by a
22 release or threatened release of a hazardous substance and to not-for-
23 profit public interest organizations. The primary purpose of these
24 grants is to facilitate the participation by persons and organizations
25 in the investigation and remedying of releases or threatened releases
26 of hazardous substances and to implement the state's solid and
27 hazardous waste management priorities. However, during the 1999-2001
28 fiscal biennium, funding may not be granted to entities engaged in
29 lobbying activities, and applicants may not be awarded grants if their
30 cumulative grant awards under this section exceed two hundred thousand
31 dollars. No grant may exceed sixty thousand dollars. Grants may be
32 renewed annually. Moneys appropriated for public participation from
33 either account which are not expended at the close of any biennium
34 shall revert to the state toxics control account.

35 (6) No moneys deposited into either the state or local toxics
36 control account may be used for solid waste incinerator feasibility
37 studies, construction, maintenance, or operation.

1 (7) The department shall adopt rules for grant or loan issuance and
2 performance.

3 (8) During the 2005-2007 fiscal biennium, the legislature may
4 transfer from the state toxics control account to the state general
5 fund such amounts as reflect the excess fund balance of the fund.

6 **Sec. 934.** RCW 70.146.030 and 2004 c 277 s 909 are each amended to
7 read as follows:

8 (1) The water quality account is hereby created in the state
9 treasury. Moneys in the account may be used only in a manner
10 consistent with this chapter. Moneys deposited in the account shall be
11 administered by the department of ecology and shall be subject to
12 legislative appropriation. Moneys placed in the account shall include
13 tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390,
14 principal and interest from the repayment of any loans granted pursuant
15 to this chapter, and any other moneys appropriated to the account by
16 the legislature.

17 (2) The department may use or permit the use of any moneys in the
18 account to make grants or loans to public bodies, including grants to
19 public bodies as cost-sharing moneys in any case where federal, local,
20 or other funds are made available on a cost-sharing basis, for water
21 pollution control facilities and activities, or for purposes of
22 assisting a public body to obtain an ownership interest in water
23 pollution control facilities and/or to defray a part of the payments
24 made by a public body to a service provider under a service agreement
25 entered into pursuant to RCW 70.150.060, within the purposes of this
26 chapter and for related administrative expenses. For the period July
27 1, ~~((2003))~~ 2005, to June 30, ~~((2005))~~ 2007, moneys in the account may
28 be used to process applications received by the department that seek to
29 make changes to or transfer existing water rights, for water conveyance
30 projects, and for grants and technical assistance to public bodies for
31 watershed planning under chapter 90.82 RCW. No more than three percent
32 of the moneys deposited in the account may be used by the department to
33 pay for the administration of the grant and loan program authorized by
34 this chapter.

35 (3) Beginning with the biennium ending June 30, 1997, the
36 department shall present a biennial progress report on the use of
37 moneys from the account to the chairs of the senate committee on ways

1 and means and the house of representatives committee on appropriations.
2 The first report is due June 30, 1996, and the report for each
3 succeeding biennium is due December 31 of the odd-numbered year. The
4 report shall consist of a list of each recipient, project description,
5 and amount of the grant, loan, or both.

6 **Sec. 935.** RCW 70.146.080 and 2003 1st sp.s. c 25 s 935 are each
7 amended to read as follows:

8 Within thirty days after June 30, 1987, and within thirty days
9 after each succeeding fiscal year thereafter, the state treasurer shall
10 determine the tax receipts deposited into the water quality account for
11 the preceding fiscal year. If the tax receipts deposited into the
12 account in each of the fiscal years 1988 and 1989 are less than forty
13 million dollars, the state treasurer shall transfer sufficient moneys
14 from general state revenues into the water quality account to bring the
15 total receipts in each fiscal year up to forty million dollars.

16 For the biennium ending June 30, 1991, if the tax receipts
17 deposited into the water quality account and the earnings on investment
18 of balances credited to the account are less than ninety million
19 dollars, the treasurer shall transfer sufficient moneys from general
20 state revenues into the water quality account to bring the total
21 revenue up to ninety million dollars. The determination and transfer
22 shall be made by July 31, 1991.

23 For fiscal year 1992 and for fiscal years 1995 and 1996 and
24 thereafter, if the tax receipts deposited into the water quality
25 account for each fiscal year are less than forty-five million dollars,
26 the treasurer shall transfer sufficient moneys from general state
27 revenues into the water quality account to bring the total revenue up
28 to forty-five million dollars. However, during the ((2003-05)) 2005-
29 2007 fiscal biennium, the legislature may specify the transfer of a
30 different amount in the operating budget bill. Determinations and
31 transfers shall be made by July 31 for the preceding fiscal year.

32 **Sec. 936.** RCW 70.148.020 and 1999 c 73 s 1 are each amended to
33 read as follows:

34 (1) The pollution liability insurance program trust account is
35 established in the custody of the state treasurer. All funds
36 appropriated for this chapter and all premiums collected for

1 reinsurance shall be deposited in the account. Expenditures from the
2 account shall be used exclusively for the purposes of this chapter
3 including payment of costs of administering the pollution liability
4 insurance and underground storage tank community assistance programs.
5 Expenditures for payment of administrative and operating costs of the
6 agency are subject to the allotment procedures under chapter 43.88 RCW
7 and may be made only after appropriation by statute. No appropriation
8 is required for other expenditures from the account.

9 (2) Each calendar quarter, the director shall report to the
10 insurance commissioner the loss and surplus reserves required for the
11 calendar quarter. The director shall notify the department of revenue
12 of this amount by the fifteenth day of each calendar quarter.

13 (3) Each calendar quarter the director shall determine the amount
14 of reserves necessary to fund commitments made to provide financial
15 assistance under RCW 70.148.130 to the extent that the financial
16 assistance reserves do not jeopardize the operations and liabilities of
17 the pollution liability insurance program. The director shall notify
18 the department of revenue of this amount by the fifteenth day of each
19 calendar quarter. The director may immediately establish an initial
20 financial assistance reserve of five million dollars from available
21 revenues. The director may not expend more than fifteen million
22 dollars for the financial assistance program.

23 (4) During the 2005-2007 fiscal biennium, the legislature may
24 transfer from the pollution liability insurance program trust account
25 to the state general fund such amounts as reflect the excess fund
26 balance of the account.

27 (5) This section expires June 1, ((2001-[2007])) 2007.

28 **Sec. 937.** RCW 72.11.040 and 2003 1st sp.s. c 25 s 936 are each
29 amended to read as follows:

30 The cost of supervision fund is created in the custody of the state
31 treasurer. All receipts from assessments made under RCW 9.94A.780 and
32 72.04A.120 shall be deposited into the fund. Expenditures from the
33 fund may be used only to support the collection of legal financial
34 obligations. During the ((2003-2005)) 2005-2007 biennium, funds from
35 the account may also be used for costs associated with the department's
36 supervision of the offenders in the community. Only the secretary of
37 the department of corrections or the secretary's designee may authorize

1 expenditures from the fund. The fund is subject to allotment
2 procedures under chapter 43.88 RCW, but no appropriation is required
3 for expenditures.

4 **Sec. 938.** RCW 74.09.5225 and 2001 2nd sp.s. c 2 s 2 are each
5 amended to read as follows:

6 (1) Payments for recipients eligible for medical assistance
7 programs under this chapter for services provided by hospitals,
8 regardless of the beneficiary's managed care enrollment status, shall
9 be made based on allowable costs incurred during the year, when
10 services are provided by a rural hospital certified by the health care
11 financing administration as a critical access hospital. Any additional
12 payments made by the medical assistance administration for the healthy
13 options program shall be no more than the additional amounts per
14 service paid under this section for other medical assistance programs.

15 (2) During the 2005-2007 fiscal biennium, a moratorium shall be
16 placed on additional hospitals participating in the medical assistance
17 program under chapter 74.09 RCW as described in subsection (1) of this
18 section. However, rural hospitals that applied for certification to
19 the centers for medicare and medicaid services prior to January 1,
20 2005, but have not yet completed the process or have not yet been
21 approved for certification, remain eligible for medical assistance
22 reimbursement.

23 **Sec. 939.** RCW 74.46.431 and 2004 c 276 s 913 are each amended to
24 read as follows:

25 (1) Effective July 1, 1999, nursing facility medicaid payment rate
26 allocations shall be facility-specific and shall have seven components:
27 Direct care, therapy care, support services, operations, property,
28 financing allowance, and variable return. The department shall
29 establish and adjust each of these components, as provided in this
30 section and elsewhere in this chapter, for each medicaid nursing
31 facility in this state.

32 (2) All component rate allocations for essential community
33 providers as defined in this chapter shall be based upon a minimum
34 facility occupancy of eighty-five percent of licensed beds, regardless
35 of how many beds are set up or in use. For all facilities other than
36 essential community providers, effective July 1, 2001, component rate

1 allocations in direct care, therapy care, support services, variable
2 return, operations, property, and financing allowance shall continue to
3 be based upon a minimum facility occupancy of eighty-five percent of
4 licensed beds. For all facilities other than essential community
5 providers, effective July 1, 2002, the component rate allocations in
6 operations, property, and financing allowance shall be based upon a
7 minimum facility occupancy of ninety percent of licensed beds,
8 regardless of how many beds are set up or in use.

9 (3) Information and data sources used in determining medicaid
10 payment rate allocations, including formulas, procedures, cost report
11 periods, resident assessment instrument formats, resident assessment
12 methodologies, and resident classification and case mix weighting
13 methodologies, may be substituted or altered from time to time as
14 determined by the department.

15 (4)(a) Direct care component rate allocations shall be established
16 using adjusted cost report data covering at least six months. Adjusted
17 cost report data from 1996 will be used for October 1, 1998, through
18 June 30, 2001, direct care component rate allocations; adjusted cost
19 report data from 1999 will be used for July 1, 2001, through June 30,
20 2005, direct care component rate allocations. Unless the legislature
21 provides otherwise in the biennial appropriations act, adjusted cost
22 report data from 1999 will continue to be used for July 1, 2005, and
23 later direct care component rate allocations.

24 (b) Direct care component rate allocations based on 1996 cost
25 report data shall be adjusted annually for economic trends and
26 conditions by a factor or factors defined in the biennial
27 appropriations act. A different economic trends and conditions
28 adjustment factor or factors may be defined in the biennial
29 appropriations act for facilities whose direct care component rate is
30 set equal to their adjusted June 30, 1998, rate, as provided in RCW
31 74.46.506(5)(i).

32 (c) Direct care component rate allocations based on 1999 cost
33 report data shall be adjusted annually for economic trends and
34 conditions by a factor or factors defined in the biennial
35 appropriations act. A different economic trends and conditions
36 adjustment factor or factors may be defined in the biennial
37 appropriations act for facilities whose direct care component rate is

1 set equal to their adjusted June 30, 1998, rate, as provided in RCW
2 74.46.506(5)(i).

3 (5)(a) Therapy care component rate allocations shall be established
4 using adjusted cost report data covering at least six months. Adjusted
5 cost report data from 1996 will be used for October 1, 1998, through
6 June 30, 2001, therapy care component rate allocations; adjusted cost
7 report data from 1999 will be used for July 1, 2001, through June 30,
8 2005, therapy care component rate allocations. Unless the legislature
9 provides otherwise in the biennial appropriations act, adjusted cost
10 report data from 1999 will continue to be used for July 1, 2005, and
11 later therapy care component rate allocations.

12 (b) Therapy care component rate allocations shall be adjusted
13 annually for economic trends and conditions by a factor or factors
14 defined in the biennial appropriations act.

15 (6)(a) Support services component rate allocations shall be
16 established using adjusted cost report data covering at least six
17 months. Adjusted cost report data from 1996 shall be used for October
18 1, 1998, through June 30, 2001, support services component rate
19 allocations; adjusted cost report data from 1999 shall be used for July
20 1, 2001, through June 30, 2005, support services component rate
21 allocations. Unless the legislature provides otherwise in the biennial
22 appropriations act, adjusted cost report data from 1999 will continue
23 to be used for July 1, 2005, and later support services component rate
24 allocations.

25 (b) Support services component rate allocations shall be adjusted
26 annually for economic trends and conditions by a factor or factors
27 defined in the biennial appropriations act.

28 (7)(a) Operations component rate allocations shall be established
29 using adjusted cost report data covering at least six months. Adjusted
30 cost report data from 1996 shall be used for October 1, 1998, through
31 June 30, 2001, operations component rate allocations; adjusted cost
32 report data from 1999 shall be used for July 1, 2001, through June 30,
33 2005, operations component rate allocations. Unless the legislature
34 provides otherwise in the biennial appropriations act, adjusted cost
35 report data from 1999 will continue to be used for July 1, 2005, and
36 later operations component rate allocations.

37 (b) Operations component rate allocations shall be adjusted

1 annually for economic trends and conditions by a factor or factors
2 defined in the biennial appropriations act.

3 (8) For July 1, 1998, through September 30, 1998, a facility's
4 property and return on investment component rates shall be the
5 facility's June 30, 1998, property and return on investment component
6 rates, without increase. For October 1, 1998, through June 30, 1999,
7 a facility's property and return on investment component rates shall be
8 rebased utilizing 1997 adjusted cost report data covering at least six
9 months of data.

10 (9) Total payment rates under the nursing facility medicaid payment
11 system shall not exceed facility rates charged to the general public
12 for comparable services.

13 (10) Medicaid contractors shall pay to all facility staff a minimum
14 wage of the greater of the state minimum wage or the federal minimum
15 wage.

16 (11) The department shall establish in rule procedures, principles,
17 and conditions for determining component rate allocations for
18 facilities in circumstances not directly addressed by this chapter,
19 including but not limited to: The need to prorate inflation for
20 partial-period cost report data, newly constructed facilities, existing
21 facilities entering the medicaid program for the first time or after a
22 period of absence from the program, existing facilities with expanded
23 new bed capacity, existing medicaid facilities following a change of
24 ownership of the nursing facility business, facilities banking beds or
25 converting beds back into service, facilities temporarily reducing the
26 number of set-up beds during a remodel, facilities having less than six
27 months of either resident assessment, cost report data, or both, under
28 the current contractor prior to rate setting, and other circumstances.

29 (12) The department shall establish in rule procedures, principles,
30 and conditions, including necessary threshold costs, for adjusting
31 rates to reflect capital improvements or new requirements imposed by
32 the department or the federal government. Any such rate adjustments
33 are subject to the provisions of RCW 74.46.421.

34 (13) Effective July 1, 2001, medicaid rates shall continue to be
35 revised downward in all components, in accordance with department
36 rules, for facilities converting banked beds to active service under
37 chapter 70.38 RCW, by using the facility's increased licensed bed
38 capacity to recalculate minimum occupancy for rate setting. However,

1 for facilities other than essential community providers which bank beds
2 under chapter 70.38 RCW, after May 25, 2001, medicaid rates shall be
3 revised upward, in accordance with department rules, in direct care,
4 therapy care, support services, and variable return components only, by
5 using the facility's decreased licensed bed capacity to recalculate
6 minimum occupancy for rate setting, but no upward revision shall be
7 made to operations, property, or financing allowance component rates.

8 (14) Facilities obtaining a certificate of need or a certificate of
9 need exemption under chapter 70.38 RCW after June 30, 2001, must have
10 a certificate of capital authorization in order for (a) the
11 depreciation resulting from the capitalized addition to be included in
12 calculation of the facility's property component rate allocation; and
13 (b) the net invested funds associated with the capitalized addition to
14 be included in calculation of the facility's financing allowance rate
15 allocation.

16 **Sec. 940.** RCW 79.64.040 and 2004 c 199 s 227 are each amended to
17 read as follows:

18 The board shall determine the amount deemed necessary in order to
19 achieve the purposes of this chapter and shall provide by rule for the
20 deduction of this amount from the moneys received from all leases,
21 sales, contracts, licenses, permits, easements, and rights of way
22 issued by the department and affecting state lands and aquatic lands,
23 provided that no deduction shall be made from the proceeds from
24 agricultural college lands. Moneys received as deposits from
25 successful bidders, advance payments, and security under RCW 79.15.100,
26 79.15.080, and 79.11.150 prior to December 1, 1981, which have not been
27 subjected to deduction under this section are not subject to deduction
28 under this section. The deductions authorized under this section shall
29 in no event exceed twenty-five percent of the moneys received by the
30 department in connection with any one transaction pertaining to state
31 lands and aquatic lands other than second class tide and shore lands
32 and the beds of navigable waters, and fifty percent of the moneys
33 received by the department pertaining to second class tide and shore
34 lands and the beds of navigable waters. During the fiscal biennium
35 beginning July 1, 2005, the twenty-five percent limitation on
36 deductions is temporarily increased to thirty percent. The department
37 shall submit a report to the appropriate committees of the legislature

1 by December 1, 2005, that recommends changes in state laws and
2 department policies that will reduce the administrative costs of
3 managing state trust lands.

4 In the event that the department sells logs using the contract
5 harvesting process described in RCW 79.15.500 through 79.15.530, the
6 moneys received subject to this section are the net proceeds from the
7 contract harvesting sale.

8 **Sec. 941.** RCW 79.90.245 and 2004 c 276 s 914 are each amended to
9 read as follows:

10 After deduction for management costs as provided in RCW 79.64.040
11 and payments to towns under RCW 79.92.110(2), all moneys received by
12 the state from the sale or lease of state-owned aquatic lands and from
13 the sale of valuable material from state-owned aquatic lands shall be
14 deposited in the aquatic lands enhancement account which is hereby
15 created in the state treasury. After appropriation, these funds shall
16 be used solely for aquatic lands enhancement projects; for the
17 purchase, improvement, or protection of aquatic lands for public
18 purposes; for providing and improving access to such lands; and for
19 volunteer cooperative fish and game projects.

20 In providing grants for aquatic lands enhancement projects, the
21 department shall require grant recipients to incorporate the
22 environmental benefits of the project into their grant applications,
23 and the department shall utilize the statement of environmental
24 benefits in its prioritization and selection process. The department
25 shall also develop appropriate outcome-focused performance measures to
26 be used both for management and performance assessment of the grants.
27 To the extent possible, the department should coordinate its
28 performance measure system with other natural resource-related agencies
29 as defined in RCW 43.41.270. The department shall consult with
30 affected interest groups in implementing this section.

31 During the fiscal biennium ending June 30, ~~((2005))~~ 2007, the funds
32 may be appropriated for boating safety~~((, settlement costs for aquatic~~
33 ~~lands cleanup, and shellfish management, enforcement, and enhancement))~~
34 and assistance to local governments for septic system surveys and data
35 bases.

1 **Sec. 942.** RCW 86.26.007 and 2003 1st sp.s. c 25 s 943 are each
2 amended to read as follows:

3 The flood control assistance account is hereby established in the
4 state treasury. At the beginning of the (~~(1997-99 fiscal biennium and~~
5 ~~each)) 2005-2007 fiscal biennium, the state treasurer shall transfer
6 three million dollars from the general fund to the flood control
7 assistance account. Each biennium thereafter the state treasurer shall
8 transfer four million dollars from the general fund to the flood
9 control assistance account. Moneys in the flood control assistance
10 account may be spent only after appropriation for purposes specified
11 under this chapter. (~~(During the 2003-2005 fiscal biennium, the~~
12 ~~legislature may transfer from the flood control assistance account to~~
13 ~~the state general fund such amounts as reflect the excess fund balance~~
14 ~~of the account.))~~)~~

15 NEW SECTION. **Sec. 943. COMPENSATION--INSURANCE BENEFITS.** The
16 appropriations for state agencies, including institutions of higher
17 education are subject to the following conditions and limitations:

18 (1)(a) The monthly employer funding rate for insurance benefit
19 premiums, public employees' benefits board administration, and the
20 uniform medical plan, shall not exceed \$663.00 per eligible employee
21 for fiscal year 2006. For fiscal year 2007 the monthly employer
22 funding rate shall not exceed \$744.00 per eligible represented employee
23 or \$618.00 per eligible nonrepresented employee.

24 (b) In order to achieve the level of funding provided for health
25 benefits, the public employees' benefits board shall require any or all
26 of the following: Employee premium copayments, increases in
27 point-of-service cost sharing, the implementation of managed
28 competition, or make other changes to benefits consistent with RCW
29 41.05.065.

30 (c) The health care authority shall deposit any moneys received on
31 behalf of the uniform medical plan as a result of rebates on
32 prescription drugs, audits of hospitals, subrogation payments, or any
33 other moneys recovered as a result of prior uniform medical plan claims
34 payments, into the public employees' and retirees' insurance account to
35 be used for insurance benefits. Such receipts shall not be used for
36 administrative expenditures.

1 (2) The health care authority, subject to the approval of the
2 public employees' benefits board, shall provide subsidies for health
3 benefit premiums to eligible retired or disabled public employees and
4 school district employees who are eligible for medicare, pursuant to
5 RCW 41.05.085. From January 1, 2006, through December 31, 2006, the
6 subsidy shall be \$131.87. Starting January 1, 2007, the subsidy shall
7 be \$149.67 per month.

8 (3) Technical colleges, school districts, and educational service
9 districts shall remit to the health care authority for deposit into the
10 public employees' and retirees' insurance account established in RCW
11 41.05.120 the following amounts:

12 (a) For each full-time employee, \$48.71 per month beginning
13 September 1, 2005, and \$56.59 beginning September 1, 2006;

14 (b) For each part-time employee who, at the time of the remittance,
15 is employed in an eligible position as defined in RCW 41.32.010 or
16 41.40.010 and is eligible for employer fringe benefit contributions for
17 basic benefits, \$48.71 each month beginning September 1, 2005, and
18 \$56.59 beginning September 1, 2006, prorated by the proportion of
19 employer fringe benefit contributions for a full-time employee that the
20 part-time employee receives. The remittance requirements specified in
21 this subsection shall not apply to employees of a technical college,
22 school district, or educational service district who purchase insurance
23 benefits through contracts with the health care authority.

24 NEW SECTION. **Sec. 944. NONREPRESENTED EMPLOYEE COMPENSATION.**

25 The appropriations for nonrepresented employee compensation adjustments
26 are provided solely for:

27 (1) Salary Cost of Living Adjustments.

28 (a) Appropriations are provided for a 3.2% salary increase
29 effective July 1, 2005, for all classified employees, except those
30 represented by a collective bargaining unit under the personnel system
31 reform act of 2002, and except the certificated employees of the state
32 schools for the deaf and blind and employees of community and technical
33 colleges covered by the provisions of Initiative Measure No. 732. Also
34 included are employees in the Washington management service, and exempt
35 employees under the jurisdiction of the personnel resources board or
36 the director of personnel, as applicable. However, community and
37 technical colleges shall increase salaries of all classified and

1 instructional staff not covered by Initiative Measure No. 732 or by a
2 collective bargaining agreement under the personnel system reform act
3 of 2002 by 3.2% of pay. The appropriations are also sufficient to fund
4 for the four-year higher education institutions an average salary
5 increase of 3.2% effective July 1, 2005, for faculty, exempt
6 administrative and professional staff, graduate assistants, and other
7 nonclassified staff. Funds provided in this section may not be used
8 for any other purpose by institutions of higher education, including
9 for other pay increases.

10 The appropriations are also sufficient to fund a 3.2% salary
11 increase effective July 1, 2005, for general government, legislative,
12 and judicial employees exempt from merit system rules whose maximum
13 salaries are not set by the commission on salaries for elected
14 officials.

15 (b) Appropriations are provided for a 1.6% salary increase
16 effective July 1, 2006, until June 30, 2007, for all classified
17 employees, except those represented by a collective bargaining unit
18 under the personnel system reform act of 2002, and except the
19 certificated employees of the state schools for the deaf and blind and
20 employees of community and technical colleges covered by the provisions
21 of Initiative Measure No. 732. Also included are employees in the
22 Washington management service, and exempt employees under the
23 jurisdiction of the personnel resources board or the director of
24 personnel, as applicable. However, community and technical colleges
25 shall increase salaries of all classified and instructional staff not
26 covered by Initiative Measure No. 732 or by a collective bargaining
27 agreement under the personnel system reform act of 2002 by 1.6% of pay
28 for the period specified. The appropriations are also sufficient to
29 fund for the four-year higher education institutions an average salary
30 increase of 1.6% effective July 1, 2006, for faculty, exempt
31 administrative and professional staff, graduate assistants, and other
32 nonclassified staff. Funds provided in this section may not be used
33 for any other purpose by institutions of higher education, including
34 for other pay increases. The appropriations are also sufficient to
35 fund a 1.6% salary increase effective July 1, 2005, until June 30,
36 2007, for general government, legislative, and judicial employees
37 exempt from merit system rules whose maximum salaries are not set by
38 the commission on salaries for elected officials.

1 (2) Salary Survey.

2 For state employees, except those represented by a bargaining unit
3 under the personnel system reform act of 2002, funding is provided for
4 implementation of the department of personnel's 2002 salary survey, for
5 job classes more than 25% below market rates.

6 NEW SECTION. **Sec. 945. CLASSIFICATION REVISIONS.** Funding is
7 provided for partial implementation of classification consolidation and
8 revisions under the personnel system reform act of 2002. Groups 2 and
9 3 of the department of personnel's initial class consolidation plan are
10 affected.

11 NEW SECTION. **Sec. 946. COLLECTIVE BARGAINING AGREEMENTS.**
12 Provisions of collective bargaining agreements contained in sections
13 943 and 945 through 975 of this act are described in general terms.
14 Only major economic terms are included in the descriptions. These
15 descriptions do not contain the complete contents of the agreements.

16 NEW SECTION. **Sec. 947. COLLECTIVE BARGAINING AGREEMENT--WFSE.**
17 Funding is provided for the collective bargaining agreement reached
18 between the governor and the Washington federation of state employees
19 under the personnel system reform act of 2002. For employees covered
20 under this agreement, funding is provided for a 3.2% salary increase
21 effective July 1, 2005. Funding is also provided for a 1.6% increase
22 effective July 1, 2006, until June 30, 2007, and for implementation of
23 the department of personnel 2002 salary survey for classes more than
24 25% below market rates.

25 NEW SECTION. **Sec. 948. COLLECTIVE BARGAINING AGREEMENT--WPEA.**
26 Funding is provided for the collective bargaining agreement reached
27 between the governor and the Washington public employees association
28 under the personnel system reform act of 2002. For employees covered
29 under this agreement, funding is provided for a 3.2% salary increase
30 effective July 1, 2005. Funding is also provided for a 1.6% increase
31 effective July 1, 2006, until June 30, 2007, and for implementation of
32 the department of personnel 2002 salary survey for classes more than
33 25% below market rates.

1 NEW SECTION. **Sec. 949. COLLECTIVE BARGAINING AGREEMENT--UFCW.**

2 Funding is provided for the collective bargaining agreement reached
3 between the governor and the united food and commercial workers under
4 the personnel system reform act of 2002. For employees covered under
5 this agreement, funding is provided for a 3.2% salary increase
6 effective July 1, 2005. Funding is also provided for a 1.6% increase
7 effective July 1, 2006 until June 30, 2007.

8 NEW SECTION. **Sec. 950. COLLECTIVE BARGAINING AGREEMENT--**

9 **TEAMSTERS.** Funding is provided for the collective bargaining agreement
10 reached between the governor and the brotherhood of teamsters under the
11 personnel system reform act of 2002. For employees covered under this
12 agreement, funding is provided for a 3.2% salary increase effective
13 July 1, 2005. Funding is also provided for a 2.9% increase effective
14 July 1, 2006, until June 30, 2007, and for implementation of the
15 department of personnel 2002 salary survey for classes more than 25%
16 below market rates.

17 NEW SECTION. **Sec. 951. COLLECTIVE BARGAINING--COALITION.**

18 Funding is provided for the collective bargaining agreement reached
19 between the governor and the coalition under the personnel system
20 reform act of 2002. For employees covered under this agreement,
21 funding is provided for a 3.2% salary increase effective July 1, 2005.
22 Funding is also provided for a 1.6% increase effective July 1, 2006,
23 until June 30, 2007, and for implementation of the department of
24 personnel 2002 salary survey for classes more than 25% below market
25 rates.

26 NEW SECTION. **Sec. 952. COLLECTIVE BARGAINING--IFPTE.** Funding

27 is provided for the collective bargaining agreement reached between the
28 governor and the international federation of professional and technical
29 engineers local 17 under the personnel system reform act of 2002. For
30 employees covered under this agreement, funding is provided for a 3.2%
31 salary increase effective July 1, 2005. Funding is also provided for
32 a 1.6% increase effective July 1, 2006, until June 30, 2007, and for
33 implementation of the department of personnel 2002 salary survey for
34 classes more than 25% below market rates.

1 NEW SECTION. **Sec. 953. COLLECTIVE BARGAINING AGREEMENT--SEIU**
2 **1199.** Funding is provided for the collective bargaining agreement
3 reached between the governor and the service employees international
4 union, local 1199 NW under the personnel system reform act of 2002.
5 For employees covered under this agreement, funding is provided for a
6 3.2% salary increase effective July 1, 2005. Funding is also provided
7 for a 1.6% increase effective July 1, 2006, until June 30, 2007, for
8 implementation of the department of personnel 2002 salary survey for
9 classes more than 25% below market rates, and for adjustments to the
10 salary grid.

11 NEW SECTION. **Sec. 954. COLLECTIVE BARGAINING AGREEMENT--WFSE**
12 **HIGHER EDUCATION.** Funding is provided for the collective bargaining
13 agreement reached between the governor and the Washington federation of
14 state employees in higher education under the personnel system reform
15 act of 2002. For employees covered under this agreement, funding is
16 provided for a 3.2% salary increase effective July 1, 2005. Funding is
17 also provided for a 1.6% increase effective July 1, 2006, until June
18 30, 2007, and for implementation of the department of personnel 2002
19 salary survey for classes more than 25% below market rates.

20 NEW SECTION. **Sec. 955. COLLECTIVE BARGAINING AGREEMENT--WPEA**
21 **HIGHER EDUCATION.** Funding is provided for the collective bargaining
22 agreement reached between the governor and the Washington public
23 employees association in higher education under the personnel system
24 reform act of 2002. For employees covered under this agreement,
25 funding is provided for a 3.2% salary increase effective July 1, 2005.
26 Funding is also provided for a 1.6% increase effective July 1, 2006,
27 until June 30, 2007, and for implementation of the department of
28 personnel 2002 salary survey for classes more than 25% below market
29 rates.

30 NEW SECTION. **Sec. 956. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
31 **WASHINGTON UNIVERSITY, WFSE BU A.** Budget amounts reflect the
32 collective bargaining agreement reached between the Western Washington
33 University and the Washington federation of state employees bargaining
34 unit A under the personnel system reform act of 2002. For employees
35 covered under this agreement, provisions include a 3.2% salary increase

1 effective July 1, 2005, a 1.6% increase effective July 1, 2006, until
2 June 30, 2007, and implementation of the department of personnel 2002
3 salary survey for classes more than 25% below market rates.

4 NEW SECTION. **Sec. 957. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
5 **WASHINGTON UNIVERSITY, WFSE BU B.** Budget amounts reflect the
6 collective bargaining agreement reached between the Western Washington
7 University and the Washington federation of state employees bargaining
8 unit B under the personnel system reform act of 2002. For employees
9 covered under this agreement, provisions include a 3.2% salary increase
10 effective July 1, 2005, a 1.6% increase effective July 1, 2006, until
11 June 30, 2007, and implementation of the department of personnel 2002
12 salary survey for classes more than 25% below market rates.

13 NEW SECTION. **Sec. 958. COLLECTIVE BARGAINING AGREEMENT--**
14 **WPEA/PROFESSIONAL LOCAL 365 UNIT C--WESTERN WASHINGTON UNIVERSITY.**
15 Budget amounts reflect the collective bargaining agreement reached
16 between the Western Washington University and the Washington Public
17 Employees Association bargaining unit C under the personnel system
18 reform act of 2002. For employees covered under this agreement,
19 provisions include a 3.2% salary increase effective July 1, 2005.
20 Provisions also include a 1.6% increase effective July 1, 2006, until
21 June 30, 2007, and for implementation of the department of personnel
22 2002 salary survey for classes more than 25% below market rates.

23 NEW SECTION. **Sec. 959. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
24 **WASHINGTON UNIVERSITY, WFSE BU E.** Budget amounts reflect the
25 collective bargaining agreement reached between the Western Washington
26 University and the Washington federation of state employees bargaining
27 unit E under the personnel system reform act of 2002. For employees
28 covered under this agreement, provisions include a 3.2% salary increase
29 effective July 1, 2005, and a 1.6% increase effective July 1, 2006,
30 until June 30, 2007.

31 NEW SECTION. **Sec. 960. COLLECTIVE BARGAINING AGREEMENT--**
32 **WASHINGTON STATE UNIVERSITY, WSU POLICE GUILD.** Budget amounts reflect
33 the collective bargaining agreement reached between Washington State
34 University and the Washington State University police guild bargaining

1 unit under the personnel system reform act of 2002. For employees
2 covered under this agreement, provisions include a 3.2% salary increase
3 effective July 1, 2005, and a 2.9% lump sum payment effective July 1,
4 2006.

5 NEW SECTION. **Sec. 961. COLLECTIVE BARGAINING AGREEMENT--**
6 **WASHINGTON STATE UNIVERSITY, WFSE BU 1 AND 11.** Budget amounts reflect
7 the collective bargaining agreement reached between Washington State
8 University and the Washington federation of state employees bargaining
9 unit 1--research and extension units west of the Cascades, bargaining
10 unit 5--library and bargaining unit 11--intercollegiate college of
11 nursing under the personnel system reform act of 2002. For employees
12 covered under this agreement, provisions include a 3.2% salary increase
13 effective July 1, 2005. Provisions also include a 2% lump sum payment
14 effective July 1, 2006.

15 NEW SECTION. **Sec. 962. COLLECTIVE BARGAINING AGREEMENT--**
16 **UNIVERSITY OF WASHINGTON, SEIU 925.** Budget amounts reflect the
17 collective bargaining agreements reached between the University of
18 Washington and the service employees international union university-
19 wide nonsupervisory, university-wide supervisory, research
20 technologist, research technologist supervisor, and medical/laboratory
21 technologist bargaining units under the personnel system reform act of
22 2002. For employees covered under this agreement, provisions include
23 a 3.2% salary increase effective July 1, 2005, a 1.6% increase
24 effective July 1, 2006, until June 30, 2007, implementation of a
25 University of Washington salary survey, and adjustment to the salary
26 grid.

27 NEW SECTION. **Sec. 963. COLLECTIVE BARGAINING AGREEMENT--**
28 **UNIVERSITY OF WASHINGTON, WFSE.** Budget amounts reflect the collective
29 bargaining agreements reached between the University of Washington and
30 the Washington federation of state employees campus-wide, library,
31 custodial supervisor, Harborview medical center, and Harborview medical
32 center public safety officers bargaining units under the personnel
33 system reform act of 2002. For employees covered under this agreement,
34 provisions include a 3.2% salary increase effective July 1, 2005, a

1 1.6% increase effective July 1, 2006, until June 30, 2007, and
2 implementation of a University of Washington salary survey.

3 NEW SECTION. **Sec. 964. COLLECTIVE BARGAINING AGREEMENT--**
4 **UNIVERSITY OF WASHINGTON, WFSE, SKILLED TRADES.** Budget amounts reflect
5 the collective bargaining agreements reached between the University of
6 Washington and the Washington federation of state employees, skilled
7 trades bargaining unit under the personnel system reform act of 2002.
8 For employees covered under this agreement, provisions include a \$1.00
9 per hour increase effective July 1, 2005, an increase in shift
10 differential pay, and an adjustment to the grid.

11 NEW SECTION. **Sec. 965. COLLECTIVE BARGAINING AGREEMENT--**
12 **UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW PROFESSIONAL AND TECHNICAL.**
13 Budget amounts reflect the collective bargaining agreement reached
14 between the University of Washington and the service employee
15 international union Harborview medical center professional and
16 technical bargaining unit under the personnel system reform act of
17 2002. For employees covered under this agreement, provisions include
18 a 1.5% salary increase effective January 1, 2006, a 1.5% salary
19 increase effective January 1, 2007, an adjustment to the salary grid,
20 and changes in premium pay.

21 NEW SECTION. **Sec. 966. COLLECTIVE BARGAINING AGREEMENT--**
22 **UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW NURSES.** Budget amounts
23 reflect the collective bargaining agreement reached between the
24 University of Washington and the service employee international union
25 Harborview medical center registered nurse bargaining unit under the
26 personnel system reform act of 2002. For employees covered under this
27 agreement, provisions include a 2.0% salary increase effective July 1,
28 2005, a 2.0% salary increase effective July 1, 2006, a 2.0% salary
29 increase effective January 1, 2007, an adjustment to the salary grid,
30 and changes in premium pay.

31 NEW SECTION. **Sec. 967. COLLECTIVE BARGAINING AGREEMENT--**
32 **UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW SOCIAL WORK.** Budget
33 amounts reflect the collective bargaining agreements reached between
34 the University of Washington and the service employee international

1 union Harborview medical center social work and health care specialist
2 bargaining units under the personnel system reform act of 2002. For
3 employees covered under this agreement, provisions include a 2.0%
4 salary increase effective July 1, 2005, a 2.0% salary increase
5 effective July 1, 2006, a 1.0% salary increase effective January 1,
6 2007, an adjustment to the salary grid, and changes in premium pay.

7 NEW SECTION. **Sec. 968. COLLECTIVE BARGAINING AGREEMENT--**
8 **UNIVERSITY OF WASHINGTON POLICE OFFICERS ASSOCIATION.** Budget amounts
9 reflect the collective bargaining agreements reached between the
10 University of Washington and the University of Washington police
11 officers association bargaining unit under the personnel system reform
12 act of 2002. For employees covered under this agreement, provisions
13 include a 3.2% salary increase effective July 1, 2005, a 1.6% increase
14 effective July 1, 2006, and longevity pay increases.

15 NEW SECTION. **Sec. 969. COLLECTIVE BARGAINING AGREEMENT--**
16 **UNIVERSITY OF WASHINGTON WFSE UW POLICE MANAGEMENT.** Budget amounts
17 reflect the collective bargaining agreements reached between the
18 University of Washington and the Washington federation of state
19 employees police management bargaining unit under the personnel system
20 reform act of 2002. For employees covered under this agreement,
21 provisions include a 3.2% salary increase effective July 1, 2005, and
22 a 15% supervisory differential effective July 1, 2006.

23 NEW SECTION. **Sec. 970. COLLECTIVE BARGAINING AGREEMENT--**
24 **UNIVERSITY OF WASHINGTON WASHINGTON STATE NURSES ASSOCIATION.** Budget
25 amounts reflect the collective bargaining agreement reached between the
26 University of Washington and the Washington state nurses association
27 university medical center registered nurses bargaining unit under the
28 personnel system reform act of 2002. For employees covered under this
29 agreement, provisions include a 2.0% salary increase effective July 1,
30 2005, a 2.0% salary increase effective July 1, 2006, a 2.0% salary
31 increase effective January 1, 2007, an adjustment to the salary grid,
32 and changes in premium pay.

33 NEW SECTION. **Sec. 971. COLLECTIVE BARGAINING AGREEMENT--**
34 **UNIVERSITY OF WASHINGTON INLAND BOATMEN'S UNION.** Budget amounts

1 reflect the collective bargaining agreement reached between the
2 University of Washington and the inland boatmen's union of the Pacific
3 Thompson research vessel crew bargaining unit under the personnel
4 system return act of 2002. For employees covered under this agreement,
5 provisions include a 3.2% salary increase effective July 1, 2006, and
6 a 1.6% salary increase effective July 1, 2006, until June 30, 2007.

7 NEW SECTION. **Sec. 972. COLLECTIVE BARGAINING AGREEMENT--WFSE**
8 **UNIT 2 EASTERN WASHINGTON UNIVERSITY.** Budget amounts reflect the
9 collective bargaining agreement reached between Eastern Washington
10 University and the Washington federation of state employees bargaining
11 unit 2 under the personnel system reform act of 2002. For employees
12 covered under this agreement, provisions include a 3.2% salary increase
13 effective July 1, 2005. Provisions also include a 1.6% salary increase
14 effective July 1, 2006, until June 30, 2007, and for a \$500 lump-sum
15 payment to full-time employees, and pro-rated for part-time employees,
16 effective July 1, 2005.

17 NEW SECTION. **Sec. 973. COLLECTIVE BARGAINING AGREEMENT--WFSE**
18 **UNIT 1 EASTERN WASHINGTON UNIVERSITY.** Budget amounts reflect the
19 collective bargaining agreement reached between Eastern Washington
20 University and the Washington federation of state employees bargaining
21 unit 1 under the personnel system reform act of 2002. For employees
22 covered under this agreement, provisions include a 3.2% salary increase
23 effective July 1, 2005. Provisions also include a \$500 lump-sum
24 payment to full-time employees, and pro-rated for part-time employees,
25 effective July 1, 2005, and a lump sum payment of 1.6% of annual salary
26 effective July 1, 2006.

27 NEW SECTION. **Sec. 974. COLLECTIVE BARGAINING AGREEMENT--WFSE**
28 **UNIT 2 CENTRAL WASHINGTON UNIVERSITY.** Budget amounts reflect the
29 collective bargaining agreement reached between Central Washington
30 University and the Washington federation of state employees bargaining
31 unit 2 under the personnel system reform act of 2002. For employees
32 covered under this agreement, provisions include a 3.2% salary increase
33 effective July 1, 2005. Provisions also include a 1.6% increase
34 effective July 1, 2006, until June 30, 2007, and for implementation of

1 the department of personnel 2002 salary survey for classes more than
2 25% below market rates.

3 NEW SECTION. **Sec. 975. COLLECTIVE BARGAINING AGREEMENT--WFSE**
4 **UNIT 1 CENTRAL WASHINGTON UNIVERSITY.** Budget amounts reflect the
5 collective bargaining agreement reached between Central Washington
6 University and the Washington federation of state employees bargaining
7 unit 1 under the personnel system reform act of 2002. For employees
8 covered under this agreement, provisions include a 3.2% salary increase
9 effective July 1, 2005. Provisions also include a 1.6% increase
10 effective July 1, 2006, until June 30, 2007, and for implementation of
11 the department of personnel 2002 salary survey for classes more than
12 25% below market rates.

13 NEW SECTION. **Sec. 976.** If any provision of this act or its
14 application to any person or circumstance is held invalid, the
15 remainder of the act or the application of the provision to other
16 persons or circumstances is not affected.

17 NEW SECTION. **Sec. 977.** Except for section 918 of this act, this
18 act is necessary for the immediate preservation of the public peace,
19 health, or safety, or support of the state government and its existing
20 public institutions, and takes effect immediately.

21 NEW SECTION. **Sec. 978.** Section 918 (RCW 41.50.110) of this act
22 takes effect July 1, 2006.

23 NEW SECTION. **Sec. 979.** Section 917 (RCW 41.50.110) of this act
24 expires July 1, 2006.

(End of part)

INDEX	PAGE #
ADMINISTRATOR FOR THE COURTS	4
AGENCY EXPENDITURES FOR MOTOR VEHICLES	175
ATTORNEY GENERAL	12
BELATED CLAIMS	152
BOARD FOR VOLUNTEER FIREFIGHTERS	27
BOARD OF ACCOUNTANCY	24
BOARD OF INDUSTRIAL INSURANCE APPEALS	57
BOARD OF TAX APPEALS	23
BOND EXPENSES	174
BUSINESS CONTINUITY AND DISASTER RECOVERY	172
CASELOAD FORECAST COUNCIL	13
CENTRAL WASHINGTON UNIVERSITY	137
CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS	12
CLASSIFICATION REVISIONS	157, 214
COLLECTIVE BARGAINING AGREEMENT	
COALITION	160
IFPTE	160
SEIU 1199	216
SEIU-1199	161
TEAMSTERS	159, 215
UFCW	159, 215
UNIVERSITY OF WASHINGTON INLAND BOATMEN'S UNION	220
UNIVERSITY OF WASHINGTON POLICE OFFICERS ASSOCIATION	220
UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW NURSES	219
UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW PROF AND TECH	219
UNIVERSITY OF WASHINGTON SEIU LOCAL 1199 NW SOCIAL WORK	219
UNIVERSITY OF WASHINGTON WASHINGTON STATE NURSES ASSOC	220
UNIVERSITY OF WASHINGTON WFSE UW POLICE MANAGEMENT	220
UNIVERSITY OF WASHINGTON, SEIU 925	218
UNIVERSITY OF WASHINGTON, WFSE	218
UNIVERSITY OF WASHINGTON, WFSE, SKILLED TRADES	219
WASHINGTON STATE UNIVERSITY, WFSE BU 1 AND 11	218
WASHINGTON STATE UNIVERSITY, WSU POLICE GUILD	217
WESTERN WASHINGTON UNIVERSITY, WFSE BU A	216
WESTERN WASHINGTON UNIVERSITY, WFSE BU B	217
WESTERN WASHINGTON UNIVERSITY, WFSE BU E	217
WFSE	157, 214

WFSE HIGHER EDUCATION	216
WFSE UNIT 1 CENTRAL WASHINGTON UNIVERSITY	222
WFSE UNIT 1 EASTERN WASHINGTON UNIVERSITY	221
WFSE UNIT 2 CENTRAL WASHINGTON UNIVERSITY	221
WFSE UNIT 2 EASTERN WASHINGTON UNIVERSITY	221
WPEA	158, 214
WPEA HIGHER EDUCATION	216
WPEA/PROF LOCAL 365 UNIT C--WESTERN WA UNIVERSITY	217
COLLECTIVE BARGAINING AGREEMENTS	157
COLLECTIVE BARGAINING AGREEMENTS	214
COLLECTIVE BARGAINING	
COALITION	215
IFPTE	215
COLUMBIA RIVER GORGE COMMISSION	68
COMMISSION ON AFRICAN-AMERICAN AFFAIRS	22
COMMISSION ON ASIAN-PACIFIC-AMERICAN AFFAIRS	11
COMMISSION ON HISPANIC AFFAIRS	22
COMMISSION ON JUDICIAL CONDUCT	4
COMPENSATION--INSURANCE BENEFITS	211
CONSERVATION COMMISSION	74
COURT OF APPEALS	4
CRIMINAL JUSTICE TRAINING COMMISSION	57
DEPARTMENT OF AGRICULTURE	84
DEPARTMENT OF ARCHAEOLOGY & HISTORIC PRESERVATION	29
DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT	13
COUNTY PUBLIC HEALTH ASSISTANCE	150
DEPARTMENT OF CORRECTIONS	63
DEPARTMENT OF ECOLOGY	68
DEPARTMENT OF FISH AND WILDLIFE	76
DEPARTMENT OF GENERAL ADMINISTRATION	24
DEPARTMENT OF HEALTH	61
DEPARTMENT OF INFORMATION SERVICES	24
DEPARTMENT OF LABOR AND INDUSTRIES	58
DEPARTMENT OF LICENSING	86
DEPARTMENT OF NATURAL RESOURCES	79
DEPARTMENT OF PERSONNEL	21
DEPARTMENT OF RETIREMENT SYSTEMS	
CONTRIBUTIONS TO RETIREMENT SYSTEMS	152
OPERATIONS	22
DEPARTMENT OF REVENUE	23

DEPARTMENT OF SERVICES FOR THE BLIND	66
DEPARTMENT OF SOCIAL AND HEALTH SERVICES	31
ADMINISTRATION AND SUPPORTING SERVICES PROGRAM	54
AGING AND ADULT SERVICES PROGRAM	44
ALCOHOL AND SUBSTANCE ABUSE PROGRAM	48
CHILDREN AND FAMILY SERVICES PROGRAM	32
DEVELOPMENTAL DISABILITIES PROGRAM	40
ECONOMIC SERVICES PROGRAM	46
JUVENILE REHABILITATION PROGRAM	34
MEDICAL ASSISTANCE PROGRAM	50
MENTAL HEALTH PROGRAM	37
PAYMENTS TO OTHER AGENCIES PROGRAM	55
VOCATIONAL REHABILITATION PROGRAM	54
DEPARTMENT OF VETERANS AFFAIRS	60
DOUBLE-FILLED PERSONNEL POSITIONS	154
EASTERN WASHINGTON STATE HISTORICAL SOCIETY	146
EASTERN WASHINGTON UNIVERSITY	136
ECONOMIC AND REVENUE FORECAST COUNCIL	18
EMERGENCY FUND ALLOCATIONS	173
EMPLOYMENT SECURITY DEPARTMENT	66
ENVIRONMENTAL HEARINGS OFFICE	74
EXPENDITURE AUTHORIZATIONS	170
FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION	123
FORENSIC INVESTIGATION COUNCIL	24
GOVERNOR	
LIFE SCIENCES DISCOVERY FUND AUTHORITY	153
GOVERNOR'S OFFICE OF INDIAN AFFAIRS	11
GROWTH PLANNING HEARINGS BOARD	29
HIGHER EDUCATION COORDINATING BOARD	
FINANCIAL AID AND GRANT PROGRAMS	143
POLICY COORDINATION AND ADMINISTRATION	142
HOME CARE QUALITY AUTHORITY	61
HORSE RACING COMMISSION	25
HOUSE OF REPRESENTATIVES	2
HUMAN RIGHTS COMMISSION	56
INCENTIVE SAVINGS	
FY 2006	154
FY 2007	155
INDETERMINATE SENTENCE REVIEW BOARD	60
INFORMATION SYSTEMS PROJECTS	170

INSURANCE BENEFITS	163
INSURANCE COMMISSIONER	24
INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION	73
JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE	2
JOINT LEGISLATIVE SYSTEMS COMMITTEE	3
K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR ADJUSTMENTS	123
LAW LIBRARY	4
LEGISLATIVE AGENCIES	3
LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE	3
LIEUTENANT GOVERNOR	9
LIQUOR CONTROL BOARD	25
MILITARY DEPARTMENT	27
MUNICIPAL RESEARCH COUNCIL	23
NONREPRESENTED EMPLOYEE COMPENSATION	212
NONREPRESENTED EMPLOYEE SALARY COST OF LIVING ADJUSTMENT	155
NONREPRESENTED EMPLOYEE SALARY SURVEY	156
OFFICE OF ADMINISTRATIVE HEARINGS	21
OFFICE OF FINANCIAL MANAGEMENT	18
CAPITOL BUILDING CONSTRUCTION ACCOUNT	150
COMPENSATION--INSURANCE BENEFITS FOR NONREPRESENTED EMPLOYEES	162
COMPENSATION--INSURANCE BENEFITS IN BARGAINED AGREEMENTS	162
CONTRIBUTIONS TO RETIREMENT SYSTEMS	161
EDUCATION TECHNOLOGY REVOLVING ACCOUNT	152
EMERGENCY FUND	149
EXTRAORDINARY CRIMINAL JUSTICE COSTS	154
FIRE CONTINGENCY POOL	149
PENSION CONTRIBUTION ADJUSTMENTS FOR THE PSE RETIREMENT SYSTEM	163
SEX OFFENDER SENTENCING IMPACT	150
SMALL AGENCY INFORMATION TECHNOLOGY POOL	150
OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES	23
OFFICE OF PUBLIC DEFENSE	6
OFFICE OF THE GOVERNOR	7
OFFICE OF THE STATE ACTUARY	3
PERSONNEL APPEALS BOARD	22
PROGRAM COST SHIFTS	173
PUBLIC DISCLOSURE COMMISSION	9
PUBLIC EMPLOYMENT RELATIONS COMMISSION	29
SECRETARY OF STATE	9
SENATE	2
SENTENCING GUIDELINES COMMISSION	66

SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE	145
STATE AUDITOR	11
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES	128
STATE CONVENTION AND TRADE CENTER	29
STATE EMPLOYEE INSURANCE BENEFIT RESERVE	163
STATE HEALTH CARE AUTHORITY	55
STATE INVESTMENT BOARD	22
STATE PARKS AND RECREATION COMMISSION	72
STATE PATROL	87
STATE SCHOOL FOR THE BLIND	147
STATE SCHOOL FOR THE DEAF	147
STATE TREASURER	11
BOND RETIREMENT AND INTEREST	148, 149
COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT	166
FEDERAL REVENUES FOR DISTRIBUTION	167
MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT	166
STATE REVENUES FOR DISTRIBUTION	165
TRANSFERS	167, 169
STATUTE LAW COMMITTEE	3
STATUTORY APPROPRIATIONS	174
STRATEGIC PURCHASING STRATEGY	153
SUPERINTENDENT OF PUBLIC INSTRUCTION	89
BASIC EDUCATION EMPLOYEE COMPENSATION	101
EDUCATION REFORM PROGRAMS	115
EDUCATIONAL SERVICE DISTRICTS	113
ELEMENTARY/SECONDARY SCHOOL IMPROVEMENT AND NO CHILD LEFT BEHIND ACTS	115
GENERAL APPORTIONMENT	94
INSTITUTIONAL EDUCATION PROGRAMS	113
LEARNING ASSISTANCE PROGRAM	120
LOCAL EFFORT ASSISTANCE	113
PROGRAMS FOR HIGHLY CAPABLE STUDENTS	114
PUPIL TRANSPORTATION	106
SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS	104
SCHOOL FOOD SERVICE PROGRAMS	108
SPECIAL EDUCATION PROGRAMS	108
STUDENT ACHIEVEMENT PROGRAM	122
TRANSITIONAL BILINGUAL PROGRAMS	119
SUPREME COURT	3
THE EVERGREEN STATE COLLEGE	139
UNIVERSITY OF WASHINGTON	132

UTILITIES AND TRANSPORTATION COMMISSION	26
VIDEO TELECOMMUNICATIONS	172
VOLUNTARY RETIREMENT INCENTIVES	175
VOLUNTARY SEPARATION INCENTIVES	174
WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM	84
WASHINGTON STATE ARTS COMMISSION	145
WASHINGTON STATE HISTORICAL SOCIETY	146
WASHINGTON STATE LOTTERY	21
WASHINGTON STATE UNIVERSITY	134
WESTERN WASHINGTON UNIVERSITY	141
WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD	145

--- END ---