
SECOND ENGROSSED SUBSTITUTE HOUSE BILL 1087

AS AMENDED BY THE SENATE

Passed Legislature - 2011 1st Special Session

State of Washington 62nd Legislature 2011 1st Special Session

By House Ways & Means (originally sponsored by Representatives Hunter, Alexander, and Darneille; by request of Governor Gregoire)

READ FIRST TIME 04/07/11.

1 AN ACT Relating to fiscal matters; amending RCW 15.76.115,
2 19.30.030, 28B.15.068, 28B.116.050, 28C.04.535, 36.22.175, 40.14.025,
3 40.14.027, 41.06.022, 41.50.110, 41.60.050, 41.80.010, 41.80.020,
4 43.07.129, 43.08.190, 43.09.475, 43.19.501, 43.20A.725, 43.79.201,
5 43.79.465, 43.88.150, 43.101.200, 43.135.045, 43.185.050, 43.185C.190,
6 43.336.020, 46.66.080, 66.08.170, 66.08.190, 66.08.235, 67.70.260,
7 70.93.180, 70.105D.070, 74.13.621, 79.64.040, 79.105.150, 80.36.430,
8 82.08.160, 82.14.310, 82.14.320, 82.14.330, 82.14.390, 82.14.500,
9 82.45.060, 86.26.007, and 90.71.370; reenacting and amending RCW
10 41.06.070, 43.79.480, 43.155.050, 43.185A.030, and 43.330.250; amending
11 2011 c 5 ss 106, 107, 108, 113, 114, 115, 117, 118, 119, 120, 121, 122,
12 125, 126, 127, 128, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210,
13 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 301,
14 302, 303, 304, 305, 306, 307, 401, 402, 501, 502, 503, 504, 505, 507,
15 508, 607, 608, 609, 612, 613, 614, 615, 616, 617, 703, and 801
16 (uncodified); amending 2010 2nd sp.s. c 1 ss 101, 102, 106, 107, 108,
17 116, 305, and 306 (uncodified); amending 2010 1st sp.s. c 37 ss 201,
18 504, 509, 510, 514, 515, 516, 517, 612, 701, 702, 703, 709, 710, and
19 801 (uncodified); amending 2009 c 564 ss 719, 802, and 803
20 (uncodified); adding new sections to 2009 c 564 (uncodified); adding
21 new sections to 2011 c 367 (uncodified); creating new sections;

1 repealing 2010 1st sp.s. c 37 s 802 (uncodified); making
2 appropriations; providing an effective date; providing an expiration
3 date; and declaring an emergency.

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

5 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
6 to the provisions set forth in the following sections, the several
7 amounts specified in parts I through IX of this act, or so much thereof
8 as shall be sufficient to accomplish the purposes designated, are
9 hereby appropriated and authorized to be incurred for salaries, wages,
10 and other expenses of the agencies and offices of the state and for
11 other specified purposes for the fiscal biennium beginning July 1,
12 2011, and ending June 30, 2013, except as otherwise provided, out of
13 the several funds of the state hereinafter named.

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

16 (a) "Fiscal year 2012" or "FY 2012" means the fiscal year ending
17 June 30, 2012.

18 (b) "Fiscal year 2013" or "FY 2013" means the fiscal year ending
19 June 30, 2013.

20 (c) "FTE" means full time equivalent.

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

23 (e) "Provided solely" means the specified amount may be spent only
24 for the specified purpose. Unless otherwise specifically authorized in
25 this act, any portion of an amount provided solely for a specified
26 purpose which is not expended subject to the specified conditions and
27 limitations to fulfill the specified purpose shall lapse.

28 **PART I**

29 **GENERAL GOVERNMENT**

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

31	General Fund--State Appropriation (FY 2012)	\$29,923,000
32	General Fund--State Appropriation (FY 2013)	\$30,444,000
33	Motor Vehicle Account--State Appropriation	\$1,316,000
34	TOTAL APPROPRIATION	\$61,683,000

1 NEW SECTION. **Sec. 102. FOR THE SENATE**

2	General Fund--State Appropriation (FY 2012)	\$21,772,000
3	General Fund--State Appropriation (FY 2013)	\$23,868,000
4	Motor Vehicle Account--State Appropriation	\$1,400,000
5	TOTAL APPROPRIATION	\$47,040,000

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

8	General Fund--State Appropriation (FY 2012)	\$2,680,000
9	General Fund--State Appropriation (FY 2013)	\$2,741,000
10	Medical Aid Account--State Appropriation	\$85,000
11	Accident Account--State Appropriation	\$85,000
12	TOTAL APPROPRIATION	\$5,591,000

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

15 (1) Notwithstanding the provisions of this section, the joint
16 legislative audit and review committee may adjust the due dates for
17 projects included on the committee's 2011-13 work plan as necessary to
18 efficiently manage workload.

19 (2) Within the amounts appropriated in this section, the committee
20 shall conduct a review of the state's workplace safety and health
21 program. The review shall examine workplace safety inspection,
22 enforcement, training, and outreach efforts compared to other states
23 and federal programs; analyze workplace injury and illness rates and
24 trends in Washington; identify factors that may influence workplace
25 safety and health; and identify practices that may improve workplace
26 safety and health and/or impact insurance rates.

27 (3) Within the amounts appropriated in this section, the committee
28 shall conduct a review of marketing and vendor expenditures and
29 incentive payment programs at the state lottery commission to identify
30 cost savings and efficiencies to maximize contributions to
31 beneficiaries under this act. This review shall include examination of
32 the following:

33 (a) An analysis of marketing expenses and the impact on ticket
34 sales; the impact to sales of tickets from the change in lottery
35 beneficiaries; the competitive contracting processes for marketing
36 services and vendors and comparison to other states; identification of

1 whether there are duplicative or unproductive marketing activities; and
2 identification of whether savings may occur from changing vendors.

3 (b) A description of how the employee incentive payment program at
4 the state lottery commission operates, and comparison to best practices
5 for outcome-based performance payments.

6 (4) \$85,000 of the medical aid account--state appropriation and
7 \$85,000 of the accident account--state appropriation are provided
8 solely for the purposes of House Bill No. 2123 (workers' compensation).
9 If the bill is not enacted by June 30, 2011, the amounts provided in
10 this subsection shall lapse.

11 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
12 **ACCOUNTABILITY PROGRAM COMMITTEE**

13	General Fund--State Appropriation (FY 2012)	\$2,027,000
14	General Fund--State Appropriation (FY 2013)	\$2,193,000
15	TOTAL APPROPRIATION	\$4,220,000

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

17	General Fund--State Appropriation (FY 2012)	\$24,000
18	General Fund--State Appropriation (FY 2013)	\$24,000
19	Department of Retirement Systems Expense	
20	Account--State Appropriation	\$3,344,000
21	TOTAL APPROPRIATION	\$3,392,000

22 The appropriations in this section are subject to the following
23 conditions and limitations: \$75,000 of the department of retirement
24 services account--state appropriation is for the state actuary to study
25 the issue of merging the law enforcement officers' and fire fighters'
26 retirement system plans 1 and 2 into a single retirement plan. The
27 department of retirement systems shall assist the state actuary by
28 providing such information and advice as the state actuary requests,
29 and the state actuary may contract for services as needed to conduct
30 the study. The results of the study shall be reported to the ways and
31 means committees of the house of representatives and the senate by
32 December 15, 2011.

33 (1) Among the issues related to the merger of the law enforcement
34 officers' and fire fighters' retirement system plans 1 and 2 into a
35 single retirement plan that shall be examined:

1 (a) Changes to the assets available to pay for the benefits of each
2 plan before and after a merger based on a range of possible economic
3 and demographic experience; and

4 (b) Changes to the projected contributions that might be required
5 of members, employers, and the state based on a range of possible
6 economic and demographic experience and a variety of funding policies,
7 including both continued application of current funding policy to the
8 benefit obligations of each plan, and application of the law
9 enforcement officers' and fire fighters' retirement system plan 2
10 funding policies to the combined benefits of both plans;

11 (2) The state actuary shall solicit the input of the law
12 enforcement officers' and fire fighters' retirement system plan 2
13 retirement board and organizations representing members and retirees of
14 the law enforcement officers' and fire fighters' retirement system plan
15 1 on the issue of the merger of the two plans, and include
16 representative submissions of the input of the organizations along with
17 the report.

18 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**
19 **COMMITTEE**

20	General Fund--State Appropriation (FY 2012)	\$8,016,000
21	General Fund--State Appropriation (FY 2013)	\$7,911,000
22	TOTAL APPROPRIATION	\$15,927,000

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

24	General Fund--State Appropriation (FY 2012)	\$4,249,000
25	General Fund--State Appropriation (FY 2013)	\$4,691,000
26	TOTAL APPROPRIATION	\$8,940,000

27 NEW SECTION. **Sec. 108. FOR THE REDISTRICTING COMMISSION**

28	General Fund--State Appropriation (FY 2012)	\$1,627,000
29	General Fund--State Appropriation (FY 2013)	\$154,000
30	TOTAL APPROPRIATION	\$1,781,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: \$443,000 of the general fund--state
33 appropriation for fiscal year 2012 is provided solely for the support
34 of legislative redistricting efforts. The commission shall enter into

1 an interagency agreement with the house of representatives and the
2 senate for the expenditure of these funds.

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

4	General Fund--State Appropriation (FY 2012)	\$6,714,000
5	General Fund--State Appropriation (FY 2013)	\$6,729,000
6	TOTAL APPROPRIATION	\$13,443,000

7 NEW SECTION. **Sec. 110. FOR THE LAW LIBRARY**

8	General Fund--State Appropriation (FY 2012)	\$1,472,000
9	General Fund--State Appropriation (FY 2013)	\$1,466,000
10	TOTAL APPROPRIATION	\$2,938,000

11 NEW SECTION. **Sec. 111. FOR THE COURT OF APPEALS**

12	General Fund--State Appropriation (FY 2012)	\$15,227,000
13	General Fund--State Appropriation (FY 2013)	\$15,280,000
14	TOTAL APPROPRIATION	\$30,507,000

15 NEW SECTION. **Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT**

16	General Fund--State Appropriation (FY 2012)	\$1,057,000
17	General Fund--State Appropriation (FY 2013)	\$991,000
18	TOTAL APPROPRIATION	\$2,048,000

19 NEW SECTION. **Sec. 113. FOR THE ADMINISTRATOR FOR THE COURTS**

20	General Fund--State Appropriation (FY 2012)	\$50,619,000
21	General Fund--State Appropriation (FY 2013)	\$50,174,000
22	General Fund--Federal Appropriation	\$1,551,000
23	General Fund--Private/Local Appropriation	\$248,000
24	Judicial Information Systems Account--State	
25	Appropriation	\$42,383,000
26	Judicial Stabilization Trust Account--State	
27	Appropriation	\$5,414,000
28	TOTAL APPROPRIATION	\$150,389,000

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

- 31 (1) \$1,800,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$1,800,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for school districts for petitions

1 to juvenile court for truant students as provided in RCW 28A.225.030
2 and 28A.225.035. The office of the administrator for the courts shall
3 develop an interagency agreement with the superintendent of public
4 instruction to allocate the funding provided in this subsection.
5 Allocation of this money to school districts shall be based on the
6 number of petitions filed. This funding includes amounts school
7 districts may expend on the cost of serving petitions filed under RCW
8 28A.225.030 by certified mail or by personal service or for the
9 performance of service of process for any hearing associated with RCW
10 28A.225.030.

11 (2)(a) \$8,252,000 of the general fund--state appropriation for
12 fiscal year 2012 and \$8,253,000 of the general fund--state
13 appropriation for fiscal year 2013 are provided solely for distribution
14 to county juvenile court administrators to fund the costs of processing
15 truancy, children in need of services, and at-risk youth petitions.
16 The administrator for the courts, in conjunction with the juvenile
17 court administrators, shall develop an equitable funding distribution
18 formula. The formula shall neither reward counties with higher than
19 average per-petition processing costs nor shall it penalize counties
20 with lower than average per-petition processing costs.

21 (b) Each fiscal year during the 2011-2013 fiscal biennium, each
22 county shall report the number of petitions processed and the total
23 actual costs of processing truancy, children in need of services, and
24 at-risk youth petitions. Counties shall submit the reports to the
25 administrator for the courts no later than 45 days after the end of the
26 fiscal year. The administrator for the courts shall electronically
27 transmit this information to the chairs and ranking minority members of
28 the house of representatives and senate ways and means committees no
29 later than 60 days after a fiscal year ends. These reports are deemed
30 informational in nature and are not for the purpose of distributing
31 funds.

32 (3) The distributions made under this subsection and distributions
33 from the county criminal justice assistance account made pursuant to
34 section 801 of this act constitute appropriate reimbursement for costs
35 for any new programs or increased level of service for purposes of RCW
36 43.135.060.

37 (4) \$265,000 of the general fund--state appropriation for fiscal

1 year 2012 is provided solely for the office of public guardianship to
2 provide guardianship services for low-income incapacitated persons.

3 (5) \$1,178,000 of the judicial information systems account--state
4 appropriation is provided solely for replacing computer equipment at
5 state courts and state judicial agencies.

6 (6) No later than September 30, 2011, the judicial information
7 systems committee shall provide a report to the legislature on the
8 recommendations of the case management feasibility study, including
9 plans for a replacement of the superior court management information
10 system (SCOMIS) and plans for completing the data exchange core system
11 component consistent with a complete data exchange standard. No later
12 than December 31, 2011, the judicial information systems committee
13 shall provide a report to the legislature on the status of the data
14 exchange, the procurement process for a SCOMIS replacement, and a case
15 management system that is designed to meet the requirements approved by
16 the superior courts and county clerks of all thirty-nine counties. The
17 legislature shall solicit input on both reports from judicial,
18 legislative, and executive stakeholders.

19 (7) In order to gather better data on juveniles in the criminal
20 justice system, the administrative office of the courts shall modify
21 the judgment and sentence form for juvenile and adult sentences to
22 include one or more check boxes indicating whether (a) the adult
23 superior court had original jurisdiction for a defendant who was
24 younger than eighteen years of age at the time the case was filed; (b)
25 the case was originally filed in juvenile court but transferred to
26 adult superior court jurisdiction; or (c) the case was originally filed
27 in adult superior court or transferred to adult superior court but then
28 returned to the juvenile court.

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

30	General Fund--State Appropriation (FY 2012)	\$25,027,000
31	General Fund--State Appropriation (FY 2013)	\$24,966,000
32	Judicial Stabilization Trust Account--State	
33	Appropriation	\$2,490,000
34	TOTAL APPROPRIATION	\$52,483,000

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

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

3 (2) By December 1, 2011, the office of public defense shall submit
4 to the appropriate policy and fiscal committees of the legislature a
5 proposal for office of public defense to assume the effective and
6 efficient administration of defense services for indigent persons
7 throughout the state who are involved in proceedings under chapter
8 71.09 RCW. In developing its proposal, the office of public defense
9 should consult with interested stakeholders, including the King county
10 public defender, the Washington defender association, the Washington
11 association of criminal defense lawyers, the administrative office of
12 the courts, the superior court judges association, the office of the
13 attorney general, the King county prosecuting attorney, the Washington
14 association of counties, and the department of social and health
15 services. At a minimum, the proposal should identify:

16 (a) Procedures to control costs and require accountability,
17 consistent with the state's obligation to ensure the right to counsel
18 under both the United States Constitution and the Washington
19 Constitution;

20 (b) Appropriate practice standards for trial-level defense of
21 indigent persons involved in proceedings under chapter 71.09 RCW, an
22 estimated number of attorneys statewide who are qualified to provide
23 such representation, and reasonable compensation for such defense
24 services;

25 (c) The total budget necessary to implement the proposal statewide
26 for fiscal year 2013, including administrative support; and

27 (d) Possible savings to the state and counties that might result
28 from implementing the proposal.

29 **NEW SECTION. Sec. 115. FOR THE OFFICE OF CIVIL LEGAL AID**

30	General Fund--State Appropriation (FY 2012)	\$11,038,000
31	General Fund--State Appropriation (FY 2013)	\$11,048,000
32	Judicial Stabilization Trust Account--State	
33	Appropriation	\$1,093,000
34	TOTAL APPROPRIATION	\$23,179,000

35 The appropriations in this section are subject to the following
36 conditions and limitations: An amount not to exceed \$40,000 of the
37 general fund--state appropriation for fiscal year 2012 and an amount

1 not to exceed \$40,000 of the general fund--state appropriation for
2 fiscal year 2013 may be used to provide telephonic legal advice and
3 assistance to otherwise eligible persons who are sixty years of age or
4 older on matters authorized by RCW 2.53.030(2) (a) through (k)
5 regardless of household income or asset level.

6 NEW SECTION. **Sec. 116. FOR THE OFFICE OF THE GOVERNOR**

7	General Fund--State Appropriation (FY 2012)	\$5,312,000
8	General Fund--State Appropriation (FY 2013)	\$5,293,000
9	Economic Development Strategic Reserve Account--State	
10	Appropriation	\$1,500,000
11	TOTAL APPROPRIATION	\$12,105,000

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

14 (1) \$1,500,000 of the economic development strategic reserve
15 account appropriation is provided solely for efforts to assist with
16 currently active industrial recruitment efforts that will bring new
17 jobs to the state or will retain headquarter locations of major
18 companies currently housed in the state.

19 (2) \$547,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$547,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for the office of the education
22 ombudsman.

23 NEW SECTION. **Sec. 117. FOR THE LIEUTENANT GOVERNOR**

24	General Fund--State Appropriation (FY 2012)	\$687,000
25	General Fund--State Appropriation (FY 2013)	\$698,000
26	General Fund--Private/Local Appropriation	\$90,000
27	TOTAL APPROPRIATION	\$1,475,000

28 NEW SECTION. **Sec. 118. FOR THE PUBLIC DISCLOSURE COMMISSION**

29	General Fund--State Appropriation (FY 2012)	\$2,107,000
30	General Fund--State Appropriation (FY 2013)	\$2,130,000
31	TOTAL APPROPRIATION	\$4,237,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: \$43,000 of the general fund--state
34 appropriation for fiscal year 2012 and \$82,000 of the general fund--

1 state appropriation for fiscal year 2013 are provided solely for the
2 implementation of Engrossed Substitute Senate Bill No. 5021 (election
3 campaign disclosure).

4 NEW SECTION. **Sec. 119. FOR THE SECRETARY OF STATE**

5	General Fund--State Appropriation (FY 2012)	\$16,710,000
6	General Fund--State Appropriation (FY 2013)	\$14,135,000
7	General Fund--Federal Appropriation	\$7,338,000
8	Public Records Efficiency, Preservation, and Access	
9	Account--State Appropriation	\$7,943,000
10	Charitable Organization Education Account--State	
11	Appropriation	\$452,000
12	Local Government Archives Account--State	
13	Appropriation	\$10,556,000
14	Election Account--Federal Appropriation	\$17,288,000
15	Washington State Heritage Center Account--State	
16	Appropriation	\$1,028,000
17	TOTAL APPROPRIATION	\$75,450,000

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

20 (1) \$4,101,000 of the general fund--state appropriation for fiscal
21 year 2012 is provided solely to reimburse counties for the state's
22 share of primary and general election costs and the costs of conducting
23 mandatory recounts on state measures. Counties shall be reimbursed
24 only for those odd-year election costs that the secretary of state
25 validates as eligible for reimbursement.

26 (2)(a) \$1,997,000 of the general fund--state appropriation for
27 fiscal year 2012 and \$2,076,000 of the general fund--state
28 appropriation for fiscal year 2013 are provided solely for contracting
29 with a nonprofit organization to produce gavel-to-gavel television
30 coverage of state government deliberations and other events of
31 statewide significance during the 2011-2013 biennium. The funding
32 level for each year of the contract shall be based on the amount
33 provided in this subsection. The nonprofit organization shall be
34 required to raise contributions or commitments to make contributions,
35 in cash or in kind, in an amount equal to forty percent of the state
36 contribution. The office of the secretary of state may make full or

1 partial payment once all criteria in this subsection have been
2 satisfactorily documented.

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

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

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

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

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

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

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

26 **NEW SECTION. Sec. 120. FOR THE GOVERNOR'S OFFICE OF INDIAN**
27 **AFFAIRS**

28	General Fund--State Appropriation (FY 2012)	\$259,000
29	General Fund--State Appropriation (FY 2013)	\$267,000
30	TOTAL APPROPRIATION	\$526,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: The office shall assist the department of
33 enterprise services on providing the government-to-government training
34 sessions for federal, state, local, and tribal government employees.
35 The training sessions shall cover tribal historical perspectives, legal
36 issues, tribal sovereignty, and tribal governments. Costs of the
37 training sessions shall be recouped through a fee charged to the

1 participants of each session. The department of enterprise services
2 shall be responsible for all of the administrative aspects of the
3 training, including the billing and collection of the fees for the
4 training.

5 NEW SECTION. **Sec. 121. FOR THE COMMISSION ON ASIAN PACIFIC**
6 **AMERICAN AFFAIRS**

7	General Fund--State Appropriation (FY 2012)	\$232,000
8	General Fund--State Appropriation (FY 2013)	\$219,000
9	TOTAL APPROPRIATION	\$451,000

10 NEW SECTION. **Sec. 122. FOR THE STATE TREASURER**

11	State Treasurer's Service Account--State	
12	Appropriation	\$14,996,000

13 NEW SECTION. **Sec. 123. FOR THE STATE AUDITOR**

14	State Auditing Services Revolving Account--State	
15	Appropriation	\$10,293,000
16	Performance Audit of Government Account--State	
17	Appropriation	\$1,685,000
18	TOTAL APPROPRIATION	\$11,978,000

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

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

26 (2) \$1,461,000 of the performance audits of government account
27 appropriation is provided solely for staff and related costs to verify
28 the accuracy of reported school district data submitted for state
29 funding purposes; conduct school district program audits of state
30 funded public school programs; establish the specific amount of state
31 funding adjustments whenever audit exceptions occur and the amount is
32 not firmly established in the course of regular public school audits;
33 and to assist the state special education safety net committee when
34 requested.

1 (3) Within the amounts appropriated in this section, the state
2 auditor shall continue to complete the annual audit of the state's
3 comprehensive annual financial report and the annual federal single
4 audit consistent with the auditing standards generally accepted in the
5 United States and the standards applicable to financial audits
6 contained in government auditing standards, issued by the comptroller
7 general of the United States, and OMB circular A-133, audits of states,
8 local governments, and nonprofit organizations.

9 (4) \$224,000 of performance audits of state government account
10 appropriation is provided solely for the fraud ombudsman to review and
11 audit the fraud investigative work of the division of fraud
12 investigations of the department of social and health services.

13 **NEW SECTION. Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES**
14 **FOR ELECTED OFFICIALS**

15	General Fund--State Appropriation (FY 2012)	\$158,000
16	General Fund--State Appropriation (FY 2013)	\$195,000
17	TOTAL APPROPRIATION	\$353,000

18 **NEW SECTION. Sec. 125. FOR THE ATTORNEY GENERAL**

19	General Fund--State Appropriation (FY 2012)	\$4,028,000
20	General Fund--State Appropriation (FY 2013)	\$3,997,000
21	General Fund--Federal Appropriation	\$8,819,000
22	New Motor Vehicle Arbitration Account--State	
23	Appropriation	\$972,000
24	Legal Services Revolving Account--State	
25	Appropriation	\$206,635,000
26	Tobacco Prevention and Control Account--State	
27	Appropriation	\$270,000
28	Medicaid Fraud Penalty Account--State Appropriation	\$2,825,000
29	TOTAL APPROPRIATION	\$227,546,000

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

32 (1) The attorney general shall report each fiscal year on actual
33 legal services expenditures and actual attorney staffing levels for
34 each agency receiving legal services. The report shall be submitted to
35 the office of financial management and the fiscal committees of the
36 senate and house of representatives no later than ninety days after the

1 end of each fiscal year. As part of its by agency report to the
2 legislative fiscal committees and the office of financial management,
3 the office of the attorney general shall include information detailing
4 the agency's expenditures for its agency-wide overhead and a breakdown
5 by division of division administration expenses.

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

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

18 (4) The attorney general shall enter into an interagency agreement
19 with the department of social and health services for expenditure of
20 the state's proceeds from the *cy pres* settlement in *State of Washington*
21 *v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204
22 and 213 of this act.

23 (5) \$62,000 of the legal services revolving fund--state
24 appropriation is provided solely to implement House Bill No. 1770
25 (state purchasing). If the bill is not enacted by June 30, 2011, the
26 amount provided in this subsection shall lapse.

27 (6) \$5,924,000 of the legal services revolving account--state
28 appropriation is provided solely to implement House Bill No. 2123
29 (workers' compensation). If the bill is not enacted by June 30, 2011,
30 the amount provided in this subsection shall lapse.

31 (7) The office of the attorney general is authorized to expend
32 \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer
33 protection costs in accordance with uses authorized in the court
34 orders.

35 (8) \$96,000 of the legal services revolving fund--state
36 appropriation is provided solely to implement Senate Bill No. 5076
37 (financial institutions). If the bill is not enacted by June 30, 2011,
38 the amount provided in this subsection shall lapse.

1 (9) \$99,000 of the legal services revolving fund--state
2 appropriation is provided solely to implement Engrossed Second
3 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill
4 is not enacted by June 30, 2011, the amount provided in this subsection
5 shall lapse.

6 (10) \$416,000 of the legal services revolving fund--state
7 appropriation is provided solely to implement Substitute Senate Bill
8 No. 5801 (industrial insurance system). If the bill is not enacted by
9 June 30, 2011, the amount provided in this subsection shall lapse.

10 (11) \$31,000 of the legal services revolving fund--state
11 appropriation is provided solely to implement Engrossed Substitute
12 Senate Bill No. 5021 (election campaign disclosure). If the bill is
13 not enacted by June 30, 2011, the amount provided in this subsection
14 shall lapse.

15 (12) The executive ethics board shall: (a) Develop a statewide
16 plan, with performance measures, to provide overall direction and
17 accountability in all executive branch agencies and statewide elected
18 offices; (b) coordinate and work with the commission on judicial
19 conduct and the legislative ethics board; (c) assess and evaluate each
20 agency's ethical culture through employee and stakeholder surveys,
21 review Washington state quality award feedback reports, and publish an
22 annual report on the results to the public; and (d) solicit outside
23 evaluations, studies, and recommendations for improvements from
24 academics, nonprofit organizations, the public disclosure commission,
25 or other entities with expertise in ethics, integrity, and the public
26 sector.

27 **NEW SECTION. Sec. 126. FOR THE CASELOAD FORECAST COUNCIL**

28 General Fund--State Appropriation (FY 2012)	\$1,308,000
29 General Fund--State Appropriation (FY 2013)	\$1,305,000
30 TOTAL APPROPRIATION	\$2,613,000

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

33 (1) The appropriations in this section include funding for
34 activities transferred from the sentencing guidelines commission to the
35 caseload forecast council pursuant to Engrossed Substitute Senate Bill
36 No. 5891 (criminal justice cost savings). Prior to the effective date
37 of Engrossed Substitute Senate Bill No. 5891, the appropriations in

1 this section may be expended for the continued operations and expenses
2 of the sentencing guidelines commission pursuant to the expenditure
3 authority schedule produced by the office of financial management in
4 accordance with chapter 43.88 RCW.

5 (2) \$57,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$57,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for the implementation of Senate
8 Bill No. 5304 (college bound scholarship).

9 NEW SECTION. **Sec. 127. FOR THE DEPARTMENT OF COMMERCE**

10	General Fund--State Appropriation (FY 2012)	\$57,271,000
11	General Fund--State Appropriation (FY 2013)	\$72,479,000
12	General Fund--Federal Appropriation	\$282,218,000
13	General Fund--Private/Local Appropriation	\$4,998,000
14	Public Works Assistance Account--State	
15	Appropriation	\$2,767,000
16	Drinking Water Assistance Administrative	
17	Account--State Appropriation	\$437,000
18	Lead Paint Account--State Appropriation	\$65,000
19	Building Code Council Account--State Appropriation	\$13,000
20	Home Security Fund Account--State Appropriation	\$16,655,000
21	Affordable Housing for All Account--State	
22	Appropriation	\$11,902,000
23	County Research Services Account--State Appropriation	\$1,081,000
24	Financial Fraud and Identity Theft Crimes Investigation	
25	and Prosecution Account--State Appropriation	\$1,166,000
26	Low-Income Weatherization Assistance Account--State	
27	Appropriation	\$5,778,000
28	City and Town Research Services Account--State	
29	Appropriation	\$5,166,000
30	Manufacturing Innovation and Modernization	
31	Account--State Appropriation	\$61,000
32	Community and Economic Development Fee Account--State	
33	Appropriation	\$6,488,000
34	Washington Housing Trust Account--State	
35	Appropriation	\$17,503,000
36	Prostitution Prevention and Intervention Account--	
37	State Appropriation	\$94,000

1	Public Facility Construction Loan Revolving	
2	Account--State Appropriation . . . . .	.\$755,000
3	Washington Community Technology Opportunity Account--	
4	State Appropriation	\$713,000
5	TOTAL APPROPRIATION	\$487,610,000

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

8 (1) Repayments of outstanding mortgage and rental assistance
9 program loans administered by the department under RCW 43.63A.640 shall
10 be remitted to the department, including any current revolving account
11 balances. The department shall collect payments on outstanding loans,
12 and deposit them into the state general fund. Repayments of funds owed
13 under the program shall be remitted to the department according to the
14 terms included in the original loan agreements.

15 (2) \$500,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$500,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for a grant to resolution
18 Washington to building statewide capacity for alternative dispute
19 resolution centers and dispute resolution programs that guarantee that
20 citizens have access to low-cost resolution as an alternative to
21 litigation.

22 (3) \$306,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$306,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for a grant to the retired senior
25 volunteer program.

26 (4) The department shall administer its growth management act
27 technical assistance so that smaller cities receive proportionately
28 more assistance than larger cities or counties.

29 (5) \$1,800,000 of the home security fund--state appropriation is
30 provided for transitional housing assistance or partial payments for
31 rental assistance under the independent youth housing program.

32 (6) \$5,000,000 of the home security fund--state appropriation is
33 for the operation, repair, and staffing of shelters in the homeless
34 family shelter program.

35 (7) \$198,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$198,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for the Washington new Americans
38 program.

1 (8) \$2,949,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$2,949,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for associate development
4 organizations.

5 (9) \$127,000 of the general fund--federal appropriation is provided
6 solely for implementation of Substitute House Bill No. 1886
7 (Ruckelshaus center process). If the bill is not enacted by June 30,
8 2011, the amount provided in this subsection shall lapse.

9 (10) Up to \$200,000 of the general fund--private/local
10 appropriation is for a grant to the Washington tourism alliance for the
11 maintenance of the Washington state tourism web site
12 www.experiencewa.com and its related sub-sites. The department may
13 transfer ownership of the web site and other tourism promotion assets
14 and assign obligations to the Washington tourism alliance for purposes
15 of tourism promotion throughout the state. The alliance may use the
16 assets only in a manner consistent with the purposes for which they
17 were created. Any revenue generated from these assets must be used by
18 the alliance for the sole purposes of statewide Washington tourism
19 promotion. The legislature finds that the Washington tourism alliance,
20 a not-for-profit, 501.c.6 organization established, funded, and
21 governed by Washington tourism industry stakeholders to sustain
22 destination tourism marketing across Washington, is an appropriate body
23 to receive funding and assets from and assume obligations of the
24 department for the purposes described in this section.

25 (11) The public works assistance account appropriation reflects
26 savings required by Substitute Senate Bill No. 5844 (local government
27 infrastructure), which requires the department to reduce expenditures
28 from the public works assistance account for central agency
29 administration for the 2011-2013 biennium.

30 (12) Within the appropriations in this section, specific funding is
31 provided to implement Substitute Senate Bill No. 5741 (economic
32 development commission).

33 (13) \$2,000,000 of the community and economic development fee
34 account appropriation is provided solely for the department of commerce
35 for services to homeless families through the Washington families fund.

36 (14) \$260,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$259,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for the Washington asset building
2 coalitions.

3 (15) \$1,859,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$1,859,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for innovative research teams,
6 also known as entrepreneurial STARS, at higher education research
7 institutions, and for entrepreneurs-in-residence programs at higher
8 education research institutions and entrepreneurial assistance
9 organizations. Of these amounts no more than \$50,000 in fiscal year
10 2012 and no more than \$50,000 in fiscal year 2013 may be provided for
11 the operation of entrepreneurs-in-residence programs at entrepreneurial
12 assistance organizations external to higher education research
13 institutions.

14 (16) Up to \$700,000 of the general fund--private/local
15 appropriation is for pass-through grants to cities in central Puget
16 Sound to plan for transfer of development rights receiving areas under
17 the central Puget Sound regional transfer of development rights
18 program.

19 (17) \$16,000 of the general fund--state appropriation for fiscal
20 year 2012 is provided solely to implement section 503 of Substitute
21 House Bill No. 1277 (licensed settings for vulnerable adults). The
22 long-term care ombudsman shall convene an adult family home quality
23 assurance panel to review problems concerning the quality of care for
24 residents in adult family homes. If Substitute House Bill No. 1277
25 (licensed settings for vulnerable adults) is not enacted by June 30,
26 2011, the amount provided in this subsection shall lapse.

27 (18) \$24,605,000 of the general fund--state appropriation for
28 fiscal year 2012 and \$39,527,000 of the general fund--state
29 appropriation for fiscal year 2013 are provided solely for
30 establishment of the essential needs and housing support program
31 created in Engrossed Substitute House Bill No. 2082 (essential needs
32 and assistance program). The department of commerce shall contract for
33 these services with counties or community-based organizations involved
34 in providing essential needs and housing supports to low-income persons
35 who meet eligibility pursuant to Engrossed Substitute House Bill No.
36 2082. The department shall limit the funding used for administration
37 of the program to no more than five percent. Counties and community

1 providers shall limit the funding used for administration of the
2 program to no more than seven percent.

3 (a) Of the amounts provided in this subsection, \$4,000,000 is
4 provided solely for essential needs to clients who meet the eligibility
5 established in Engrossed Substitute House Bill No. 2082. Counties and
6 community-based organizations shall distribute basic essential products
7 in a manner that prevents abuse. To the greatest extent possible, the
8 counties or community-based organizations shall leverage local or
9 private funds, and volunteer support to acquire and distribute the
10 basic essential products.

11 (b) Of the amounts provided in this subsection, \$30,000,000 is
12 provided solely for housing support services to individuals who are
13 homeless and eligible for services under this program pursuant to
14 Engrossed Substitute House Bill No. 2082.

15 (c) Of the amounts provided in this subsection, \$30,000,000 is
16 provided solely as a contingency fund to provide housing support
17 services for individuals who may become homeless and are otherwise
18 eligible for this program pursuant to Engrossed Substitute House Bill
19 No. 2082.

20 NEW SECTION. **Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST**
21 **COUNCIL**

22	General Fund--State Appropriation (FY 2012)	\$674,000
23	General Fund--State Appropriation (FY 2013)	\$728,000
24	Lottery Administrative Account--State Appropriation	\$50,000
25	TOTAL APPROPRIATION	\$1,452,000

26 NEW SECTION. **Sec. 129. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

27	General Fund--State Appropriation (FY 2012)	\$18,688,000
28	General Fund--State Appropriation (FY 2013)	\$18,547,000
29	General Fund--Federal Appropriation	\$31,534,000
30	General Fund--Private/Local Appropriation	\$1,270,000
31	Performance Audits of Government Account--	
32	State Appropriation	\$25,000
33	Economic Development Strategic Reserve Account--	
34	State Appropriation	\$280,000
35	Department of Personnel Services--State Appropriation	\$9,111,000
36	Data Processing Revolving Account--State	

1	Appropriation	\$5,208,000
2	Higher Education Personnel Services Account--State	
3	Appropriation	\$1,581,000
4	Aquatic Lands Enhancement Account--State Appropriation	\$100,000
5	TOTAL APPROPRIATION	\$86,344,000

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

8 (1) \$1,210,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$1,210,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for implementation of House Bill
11 No. 1178 (regulatory assistance office). If the bill is not enacted by
12 June 30, 2011, the amounts provided in this subsection shall lapse.

13 (2) \$150,000 of the general fund--state appropriation for fiscal
14 year 2012 is provided solely for the office of financial management to
15 contract with an independent consultant to evaluate and recommend the
16 most cost-effective provision of services required to support the
17 department of social and health services special commitment center on
18 McNeil Island. The evaluation shall include island operation services
19 that include, but are not limited to: (a) Marine transport of
20 passengers and goods; (b) wastewater treatment; (c) fire protection and
21 suppression; (d) electrical supply; (e) water supply; and (f) road
22 maintenance.

23 The office of financial management shall solicit the input of
24 Pierce county, the department of corrections, and the department of
25 social and health services in developing the request for proposal,
26 evaluating applications, and directing the evaluation. The consultant
27 shall report to the governor and legislature by November 15, 2011.

28 (3) \$100,000 of the aquatic lands enhancement account--state
29 appropriation is provided solely for the office of financial management
30 to prepare a report to be used to initiate a comprehensive, long-range
31 planning process for the future of McNeil Island during the 2013-2015
32 fiscal biennium.

- 33 (a) The report on the initiation of the process must document:
- 34 (i) Ownership issues, including consultation with the federal
 - 35 government about its current legal requirements associated with the
 - 36 island;
 - 37 (ii) Federal and state decision-making processes to change use or
 - 38 ownership;

1 (iii) Tribal treaty interests;
2 (iv) Fish and wildlife species and their habitats;
3 (v) Land use and public safety needs;
4 (vi) Recreational opportunities for the general public;
5 (vii) Historic and archaeological resources; and
6 (viii) Revenue from and necessary to support potential future uses
7 of the island.

8 (b) The report shall develop and recommend a comprehensive, long-
9 range planning process for the future of the island and associated
10 aquatic resources, addressing the items in (a) of this subsection.

11 (c) The office of financial management may use its own staff and
12 other public agency and tribal staff or contract for services, and may
13 create a work group of knowledgeable agencies, organizations, and
14 individuals to assist in preparing the report.

15 (d) The office of financial management shall engage in broad
16 consultation with interested parties, including, but not limited to:

17 (i) Federal agencies with relevant responsibilities;

18 (ii) Tribal governments;

19 (iii) State agencies;

20 (iv) Local governments and communities in the area, including the
21 Anderson Island community, Steilacoom, and Pierce county; and

22 (v) Interested private organizations and individuals.

23 (e) The report must be submitted to the governor and appropriate
24 committees of the legislature by October 1, 2012.

25 (4) As part of negotiations for labor contracts for the 2013-2015
26 fiscal biennium, the office of labor relations shall propose to the
27 bargaining representatives for state employees the authorization to
28 collect employee health care premiums on a sliding scale based on the
29 employee's salary.

30 (5) Funding provided in this section is sufficient for the office
31 of financial management to conduct an impact and feasibility study to
32 review possible implications of a direct deposit mandate for state
33 employees. This mandate would require that state employees receive
34 their paychecks through direct deposit. The impact and feasibility
35 study will consider the potential impact on employees and potential
36 liabilities for employers and include a recommendation as to whether
37 the state should implement a direct deposit mandate. The study shall
38 be due to the fiscal committees of the legislature by December 1, 2011.

1 (6) Funding provided in this section is sufficient for the office
2 of financial management to conduct a feasibility study on the potential
3 impacts of a system that would allow digital signatures to serve as
4 valid employee signatures for the purpose of employment activities. In
5 conducting this study, the office of financial management should assume
6 that this system would be available to all state employees. The study
7 must consider cost and other impacts to the state, including potential
8 liabilities. The study shall be due to the fiscal committees of the
9 legislature by December 1, 2011.

10 (7) The appropriations in this section include funding for
11 activities transferred from the sentencing guidelines commission to the
12 office of financial management pursuant to Engrossed Substitute Senate
13 Bill No. 5891 (criminal justice cost savings). Prior to the effective
14 date of Engrossed Substitute Senate Bill No. 5891, the appropriations
15 in this section may be expended for the continued operations and
16 expenses of the sentencing guidelines commission pursuant to the
17 expenditure authority schedule produced by the office of financial
18 management in accordance with chapter 43.88 RCW.

19 (8) \$50,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$50,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for the office of financial
22 management to contract with the Washington state quality award for
23 training, outreach, and assessments for public agencies and public
24 agency vendors.

25 (9) The government management and accountability performance
26 program will develop by October 1, 2011, in coordination with the
27 Washington state quality award, a plan for all agencies to complete a
28 Washington state quality award or baldrige full assessment by June 30,
29 2013. The plan must also include a schedule for agencies to complete
30 an assessment at least every three years, and for agencies to attain a
31 score of 60 percent by 2020.

32 (10) The priorities of government program must include in their
33 report the Washington state quality award assessment score for
34 agencies, as defined in chapter 384, Laws of 2005 (HB 1970), in its
35 performance measures for implementing the quality management,
36 accountability and performance system.

1 NEW SECTION. **Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

2 Administrative Hearings Revolving Account--State

3 Appropriation \$34,040,000

4 The appropriation in this section is subject to the following
5 conditions and limitations: \$769,000 of the administrative hearings
6 revolving account--state appropriation is provided solely to implement
7 Engrossed Substitute Senate Bill No. 5921 (social services programs).
8 If the bill is not enacted by June 30, 2011, the amount provided in
9 this subsection shall lapse.

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

11 Lottery Administrative Account--State

12 Appropriation \$25,694,000

13 NEW SECTION. **Sec. 132. FOR THE COMMISSION ON HISPANIC AFFAIRS**

14 General Fund--State Appropriation (FY 2012) \$246,000

15 General Fund--State Appropriation (FY 2013) \$250,000

16 TOTAL APPROPRIATION \$496,000

17 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON AFRICAN-AMERICAN**
18 **AFFAIRS**

19 General Fund--State Appropriation (FY 2012) \$239,000

20 General Fund--State Appropriation (FY 2013) \$238,000

21 TOTAL APPROPRIATION \$477,000

22 NEW SECTION. **Sec. 134. FOR THE DEPARTMENT OF RETIREMENT**
23 **SYSTEMS--OPERATIONS**

24 Department of Retirement Systems Expense

25 Account--State Appropriation \$47,057,000

26 The appropriation in this section is subject to the following
27 conditions and limitations:

28 (1) \$146,000 of the department of retirement systems--state
29 appropriation is provided solely for the administrative costs
30 associated with implementation of House Bill No. 2070 (state and local
31 government employees). If the bill is not enacted by June 30, 2011,
32 the amount provided in this subsection shall lapse.

33 (2) \$65,000 of the department of retirement systems--state
34 appropriation is provided solely for the administrative costs

1 associated with implementation of House Bill No. 1625 (plan 3 default
2 investment option). If the bill is not enacted by June 30, 2011, the
3 amount provided in this subsection shall lapse.

4 (3) \$133,000 of the department of retirement systems--state
5 appropriation is provided solely for the administrative costs
6 associated with implementation of Engrossed House Bill No. 1981 as
7 amended (post-retirement employment). If the bill is not enacted by
8 June 30, 2011, the amount provided in this subsection shall lapse.

9 (4) \$44,000 of the department of retirement systems--state
10 appropriation is provided solely for the administrative costs
11 associated with implementation of Substitute Senate Bill No. 5846
12 (retired public employees). If the bill is not enacted by June 30,
13 2011, the amount provided in this subsection shall lapse.

14 (5) \$15,000 of the department of retirement systems expense
15 account--state appropriation is provided solely for the administrative
16 costs associated with implementation of Substitute House Bill No. 2021
17 (plan 1 annual increase amounts). If the bill is not enacted by June
18 30, 2011, the amount provided in this section shall lapse.

19 **NEW SECTION. Sec. 135. FOR THE DEPARTMENT OF REVENUE**

20	General Fund--State Appropriation (FY 2012)	\$104,380,000
21	General Fund--State Appropriation (FY 2013)	\$104,232,000
22	Timber Tax Distribution Account--State Appropriation	\$5,940,000
23	Waste Reduction/Recycling/Litter Control--State	
24	Appropriation	\$129,000
25	Waste Tire Removal Account--State Appropriation	\$2,000
26	State Toxics Control Account--State Appropriation	\$87,000
27	Oil Spill Prevention Account--State Appropriation	\$19,000
28	Master License Fund--State Appropriation	\$14,012,000
29	Vehicle License Fraud Account--State Appropriation	\$5,000
30	Performance Audits of Government Account--State	
31	Appropriation	\$3,188,000
32	TOTAL APPROPRIATION	\$231,994,000

33 **NEW SECTION. Sec. 136. FOR THE STATE INVESTMENT BOARD**

34	State Investment Board Expense Account--State	
35	Appropriation	\$29,256,000

1 NEW SECTION. **Sec. 137. FOR THE BOARD OF TAX APPEALS**

2	General Fund--State Appropriation (FY 2012)	\$1,241,000
3	General Fund--State Appropriation (FY 2013)	\$1,219,000
4	TOTAL APPROPRIATION	\$2,460,000

5 NEW SECTION. **Sec. 138. FOR THE OFFICE OF MINORITY AND WOMEN'S**
6 **BUSINESS ENTERPRISES**

7	OMWBE Enterprises Account--State Appropriation	\$3,266,000
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8 NEW SECTION. **Sec. 139. FOR THE CONSOLIDATED TECHNOLOGY SERVICES**
9 **AGENCY**

10	General Fund--State Appropriation (FY 2012)	\$3,000
11	General Fund--State Appropriation (FY 2013)	\$4,000
12	General Fund--Private/Local Appropriation	\$356,000
13	Data Processing Revolving Account--State	
14	Appropriation	\$53,000
15	TOTAL APPROPRIATION	\$416,000

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

18 (1) The appropriations in this section are for the operations and
19 expenses of the consolidated technology services agency as established
20 by Engrossed Substitute Senate Bill No. 5931 (central service functions
21 of state government), effective October 1, 2011. Prior to October 1,
22 2011, the appropriations in this section may be expended for the
23 continued operations and expenses of the department of information
24 services pursuant to the expenditure authority schedules produced by
25 the office of financial management in accordance with chapter 43.88
26 RCW.

27 (2) The appropriations in this section fund implementation of
28 Senate Bill No. 5931 (streamlining central service functions).

29 (3) \$26,794,000 from the data processing revolving account
30 appropriation may be expended to design and install the network and
31 other necessary equipment to operate a consolidated state data center.
32 Before expending any funds from this account for equipping and
33 operating the data center, the following conditions must be met:

34 (a) The office of the chief information officer shall be
35 established and a chief information officer appointed as directed under

1 Engrossed Substitute Senate Bill No. 5931 (information technology
2 management);

3 (b) Technical standards for agencies to adopt shared services
4 consistent with the consolidated data center have been developed and
5 approved by the chief information officer;

6 (c) Labor provisions and contracting and purchasing authority have
7 been implemented consistent with Engrossed Substitute Senate Bill No.
8 5931 (information technology management); and

9 (d) The consolidated technology services agency has developed a
10 rate model that provides competitive rates for agencies that use the
11 state data center. If necessary, the consolidated technology services
12 agency shall identify options with input from various stakeholders to
13 offset the fixed costs of operating the data center to allow for
14 competitive rates to be charged to agencies, including, but not limited
15 to, considering the agency competitively selecting a vendor to design,
16 install, and operate the consolidated data center.

17 (4) Once the conditions in subsection (1) of this section have been
18 met and approved by the office of financial management and the chief
19 information officer, the chief information officer and the consolidated
20 technology services agency shall submit to the appropriate committees
21 of the legislature a detailed technical, financial, and logistical
22 implementation plan for operation of the consolidated data center.

23 NEW SECTION. **Sec. 140. FOR THE INSURANCE COMMISSIONER**

24	General Fund--Federal Appropriation	\$4,452,000
25	Insurance Commissioners Regulatory Account--State	
26	Appropriation	\$47,509,000
27	TOTAL APPROPRIATION . . . . .	.\$51,961,000

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

30 (1) \$75,000 of the insurance commissioner's regulatory
31 account--state appropriation is provided solely for the implementation
32 of Substitute Senate Bill No. 5445 (health benefit exchange).

33 (2) \$42,000 of the insurance commissioner's regulatory
34 account--state appropriation is provided solely for the implementation
35 of Senate Bill No. 5213 (insurance statutes).

1 NEW SECTION. **Sec. 141. FOR THE BOARD OF ACCOUNTANCY**

2 Certified Public Accountants' Account--State
3 Appropriation \$2,810,000

4 NEW SECTION. **Sec. 142. FOR THE FORENSIC INVESTIGATION COUNCIL**

5 Death Investigations Account--State Appropriation \$286,000

6 The appropriation in this section is subject to the following
7 conditions and limitations: \$250,000 of the death investigations
8 account appropriation is provided solely for providing financial
9 assistance to local jurisdictions in multiple death investigations.
10 The forensic investigation council shall develop criteria for awarding
11 these funds for multiple death investigations involving an
12 unanticipated, extraordinary, and catastrophic event or those involving
13 multiple jurisdictions.

14 NEW SECTION. **Sec. 143. FOR THE HORSE RACING COMMISSION**

15 Horse Racing Commission Operating Account--State
16 Appropriation \$4,040,000

17 NEW SECTION. **Sec. 144. FOR THE LIQUOR CONTROL BOARD**

18 Liquor Control Board Construction and Maintenance
19 Account--State Appropriation \$10,081,000
20 Liquor Revolving Account--State Appropriation \$176,646,000
21 General Fund--Federal Appropriation \$120,000
22 TOTAL APPROPRIATION \$186,847,000

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

25 (1) \$198,000 of the liquor revolving account--state appropriation
26 is provided solely for the implementation of Senate Bill No. 5916 or
27 House Bill No. 2043 (liquor related products). If neither bill is
28 enacted by June 30, 2011, the amount provided in this section shall
29 lapse.

30 (2) \$82,000 of the liquor revolving account--state appropriation is
31 provided solely for the implementation of Senate Bill No. 5917 or House
32 Bill No. 2043 (co-located contract stores). If neither bill is enacted
33 by June 30, 2011, the amount provided in this section shall lapse.

1 NEW SECTION. **Sec. 145. FOR THE UTILITIES AND TRANSPORTATION**

2 **COMMISSION**

3	General Fund--Federal Appropriation	\$502,000
4	General Fund--Private/Local Appropriation	\$11,175,000
5	Public Service Revolving Account--State	
6	Appropriation	\$30,990,000
7	Pipeline Safety Account--State Appropriation	\$3,201,000
8	Pipeline Safety Account--Federal Appropriation	\$2,848,000
9	TOTAL APPROPRIATION	\$48,716,000

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

12 (1) In accordance with RCW 80.36.610(1), the utilities and
13 transportation commission is authorized to establish federal
14 telecommunications act services fees in fiscal year 2012 as necessary
15 to meet the actual costs of conducting business and the appropriation
16 levels in this section.

17 (2) \$15,000 of the pipeline safety account--state appropriation is
18 provided solely for the implementation of Engrossed Second Substitute
19 House Bill No. 1634 (underground utilities).

20 (3) \$182,000 of the public service revolving account--state
21 appropriation is provided solely for the implementation of Engrossed
22 Second Substitute Senate Bill No. 5769 (coal-fired generation).

23 (4) \$169,000 of the public service revolving account--state
24 appropriation is provided solely for the implementation of Second
25 Substitute Senate Bill No. 5034 (private infrastructure).

26 NEW SECTION. **Sec. 146. FOR THE MILITARY DEPARTMENT**

27	General Fund--State Appropriation (FY 2012)	\$8,010,000
28	General Fund--State Appropriation (FY 2013)	\$8,001,000
29	General Fund--Federal Appropriation	\$159,181,000
30	Enhanced 911 Account--State Appropriation	\$46,556,000
31	Disaster Response Account--State Appropriation	\$17,933,000
32	Disaster Response Account--Federal Appropriation	\$66,266,000
33	Military Department Rent and Lease Account--State	
34	Appropriation	\$615,000
35	Worker and Community Right-to-Know Account--State	
36	Appropriation	\$2,165,000
37	TOTAL APPROPRIATION	\$308,727,000

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

3 (1) \$18,018,000 of the disaster response account--state
4 appropriation and \$66,266,000 of the disaster response account--federal
5 appropriation may be spent only on disasters declared by the governor
6 and with the approval of the office of financial management. The
7 military department shall submit a report to the office of financial
8 management and the legislative fiscal committees on October 1st and
9 February 1st of each year detailing information on the disaster
10 response account, including: (a) The amount and type of deposits into
11 the account; (b) the current available fund balance as of the reporting
12 date; and (c) the projected fund balance at the end of the 2011-2013
13 biennium based on current revenue and expenditure patterns.

14 (2) \$75,000,000 of the general fund--federal appropriation is
15 provided solely for homeland security, subject to the following
16 conditions:

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

20 (b) The department shall submit an annual report to the office of
21 financial management and the legislative fiscal committees detailing
22 the governor's domestic security advisory group recommendations;
23 homeland security revenues and expenditures, including estimates of
24 total federal funding for the state; and incremental changes from the
25 previous estimate.

26 NEW SECTION. **Sec. 147. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
27 Volunteer Firefighters' and Reserve Officers'
28 Administrative Account--State Appropriation \$1,064,000

29 NEW SECTION. **Sec. 148. FOR THE PUBLIC EMPLOYMENT RELATIONS**
30 **COMMISSION**
31 General Fund--State Appropriation (FY 2012) \$2,347,000
32 General Fund--State Appropriation (FY 2013) \$2,402,000
33 Higher Education Personnel Services Account--State
34 Appropriation \$251,000
35 Department of Personnel Service Account--State
36 Appropriation \$3,309,000

1 TOTAL APPROPRIATION \$8,309,000

2 NEW SECTION. **Sec. 149. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**
3 **HISTORIC PRESERVATION**

4 Washington State Heritage Center Account--State
5 Appropriation \$2,517,000
6 General Fund--Federal Appropriation \$1,908,000
7 General Fund--Private/Local Appropriation \$14,000
8 TOTAL APPROPRIATION \$4,439,000

9 NEW SECTION. **Sec. 150. FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

10 General Fund--State Appropriation (FY 2012) \$4,052,000
11 General Fund--State Appropriation (FY 2013) \$4,047,000
12 General Fund--Federal Appropriation \$177,000
13 General Fund--Private/Local Appropriation \$368,000
14 Building Code Council Account--State Appropriation \$1,185,000
15 Department of Personnel Service Account--State
16 Appropriation \$9,511,000
17 General Administration Service Account--State
18 Appropriation \$26,524,000
19 TOTAL APPROPRIATION \$45,864,000

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

22 (1) The appropriations in this section are for the operations and
23 expenses of the department of enterprise services as established by
24 Engrossed Substitute Senate Bill No. 5931 (central service functions of
25 state government), effective October 1, 2011. Prior to October 1,
26 2011, the appropriations in this section may be expended for the
27 continued operations and expenses of the office of financial
28 management, the department of general administration, the department of
29 information services, and the department of personnel, pursuant to the
30 expenditure authority schedules produced by the office of financial
31 management, in accordance with chapter 43.88 RCW.

32 (2) \$3,090,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$3,090,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for the payment of facilities and
35 services charges, utilities and contracts charges, public and historic
36 facilities charges, and capital projects surcharges allocable to the

1 senate, house of representatives, statute law committee, and joint
2 legislative systems committee. The department shall allocate charges
3 attributable to these agencies among the affected revolving funds. The
4 department shall maintain an interagency agreement with these agencies
5 to establish performance standards, prioritization of preservation and
6 capital improvement projects, and quality assurance provisions for the
7 delivery of services under this subsection. The legislative agencies
8 named in this subsection shall continue to enjoy all of the same rights
9 of occupancy and space use on the capitol campus as historically
10 established.

11 (3) In accordance with RCW 46.08.172 and 43.135.055, the department
12 is authorized to increase parking fees in fiscal years 2012 and 2013 as
13 necessary to meet the actual costs of conducting business.

14 (4) The building code council account appropriation is provided
15 solely for the operation of the state building code council as required
16 by statute and modified by the standards established by executive order
17 10-06. The council shall not consider any proposed code amendment or
18 take any other action not authorized by statute or in compliance with
19 the standards established in executive order 10-06. No member of the
20 council may receive compensation, per diem, or reimbursement for
21 activities other than physical attendance at those meetings of the
22 state building code council or the council's designated committees, at
23 which the opportunity for public comment is provided generally and on
24 all agenda items upon which the council proposes to take action.

25 (5) Specific funding is provided for the purposes of section 3 of
26 House Bill No. 1770 (state purchasing).

27 (6) The amounts appropriated in this section are for implementation
28 of Senate Bill No. 5931 (streamlining central service functions).

29 **NEW SECTION. Sec. 151. FOR INNOVATE WASHINGTON**

30	General Fund--State Appropriation (FY 2012)	\$2,999,000
31	General Fund--State Appropriation (FY 2013)	\$3,011,000
32	TOTAL APPROPRIATION	\$6,010,000

(End of part)

1 may be necessary to finance a unified health care plan for the WMIP
2 program enrollment. The WMIP pilot projects shall not exceed a daily
3 enrollment of 6,000 persons, nor expand beyond one county during the
4 2011-2013 fiscal biennium. The amount of funding assigned from each
5 program may not exceed the average per capita cost assumed in this act
6 for individuals covered by that program, actuarially adjusted for the
7 health condition of persons enrolled, times the number of clients
8 enrolled. In implementing the WMIP, the health care authority and the
9 department may: (a) Withhold from calculations of "available
10 resources" as set forth in RCW 71.24.025 a sum equal to the capitated
11 rate for enrolled individuals; and (b) employ capitation financing and
12 risk-sharing arrangements in collaboration with health care service
13 contractors licensed by the office of the insurance commissioner and
14 qualified to participate in both the medicaid and medicare programs.
15 The health care authority and the department shall conduct an
16 evaluation of the WMIP, measuring changes in participant health
17 outcomes, changes in patterns of service utilization, participant
18 satisfaction, participant access to services, and the state fiscal
19 impact.

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

30 (5) By October 1, 2011, the department shall compile and submit to
31 the department of health data regarding food procurement costs for
32 fiscal year 2011 regarding meals and other food for both residential
33 and nonresidential clients, including the percentage of food purchased
34 from Washington sources. The data shall be reported by setting and
35 population, including costs per client, and be accompanied by the
36 department's current food purchasing policies and standards.

37 (6) The department shall to the maximum extent practicable use the
38 same system for delivery of spoken-language interpreter services for

1 social services appointments as the one established for medical
2 appointments in section 213 of this act. When contracting directly
3 with an individual to deliver spoken language interpreter services, the
4 department shall only contract with language access providers who are
5 working at a location in the state and who are state-certified or
6 state-authorized, except that when such a provider is not available,
7 the department may use a language access provider who meets other
8 certifications or standards deemed to meet state standards, including
9 interpreters in other states.

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

12	General Fund--State Appropriation (FY 2012)	\$301,565,000
13	General Fund--State Appropriation (FY 2013)	\$302,895,000
14	General Fund--Federal Appropriation	\$473,030,000
15	General Fund--Private/Local Appropriation	\$1,358,000
16	Home Security Fund--State Appropriation	\$10,741,000
17	Domestic Violence Prevention Account--State	
18	Appropriation	\$1,154,000
19	Education Legacy Trust Account--State Appropriation	\$725,000
20	TOTAL APPROPRIATION	\$1,091,468,000

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

23 (1) Within amounts provided for the foster care and adoption
24 support programs, the department shall control reimbursement decisions
25 for foster care and adoption support cases such that the aggregate
26 average cost per case for foster care and for adoption support does not
27 exceed the amounts assumed in the projected caseload expenditures.

28 (2) \$668,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$668,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely to contract for the operation of
31 one pediatric interim care center. The center shall provide
32 residential care for up to thirteen children through two years of age.
33 Seventy-five percent of the children served by the center must be in
34 need of special care as a result of substance abuse by their mothers.
35 The center shall also provide on-site training to biological, adoptive,
36 or foster parents. The center shall provide at least three months of
37 consultation and support to the parents accepting placement of children

1 from the center. The center may recruit new and current foster and
2 adoptive parents for infants served by the center. The department
3 shall not require case management as a condition of the contract. The
4 department shall collaborate with the pediatric interim care center to
5 determine if and how the center could be appropriately incorporated
6 into the performance-based contract model and report its findings to
7 the legislature by December 1, 2012.

8 (3)(a) \$85,114,000 of the general fund--state appropriation for
9 fiscal year 2012, \$85,409,000 of the general fund--state appropriation
10 for fiscal year 2013, and \$79,166,000 of the general fund--federal
11 appropriation are provided solely for services for children and
12 families subject to RCW 74.13.360 and House Bill No. 2122 (child
13 welfare). Prior to approval of contract services pursuant to RCW
14 74.13.360 and House Bill No. 2122, the amounts provided in this section
15 shall be allotted on a monthly basis and expenditures shall not exceed
16 allotments based on a three month rolling average without approval of
17 the office of financial management following notification to the
18 legislative fiscal committees.

19 (b) The department shall use performance-based contracts to provide
20 services to safely reduce the number of children in out-of-home care,
21 safely reduce the time spent in out-of-home care prior to achieving
22 permanency, and safely reduce the number of children returning to
23 out-of-home care following permanency. The department shall provide an
24 initial report to the legislature and the governor by January 15, 2012,
25 regarding the start-up costs associated with performance-based
26 contracts under RCW 74.13.360 and House Bill No. 2122 (child welfare).

27 (4) \$176,000 of the general fund--state appropriation for fiscal
28 year 2012, \$177,000 of the general fund--state appropriation for fiscal
29 year 2013, \$656,000 of the general fund--private/local appropriation,
30 \$253,000 of the general fund--federal appropriation, and \$725,000 of
31 the education legacy trust account--state appropriation are provided
32 solely for children's administration to contract with an educational
33 advocacy provider with expertise in foster care educational outreach.
34 The amounts in this subsection are provided solely for contracted
35 education coordinators to assist foster children in succeeding in K-12
36 and higher education systems and to assure a focus on education during
37 the transition to performance based contracts. Funding shall be
38 prioritized to regions with high numbers of foster care youth and/or

1 regions where backlogs of youth that have formerly requested
2 educational outreach services exist. The department shall utilize
3 private matching funds to maintain educational advocacy services.

4 (5) \$670,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$670,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for services provided through
7 children's advocacy centers.

8 (6) To ensure expenditures remain within available funds
9 appropriated in this section as required by RCW 74.13A.005 and
10 74.13A.020, the secretary shall not set the amount of any adoption
11 assistance payment or payments, made pursuant to RCW 26.33.320 and
12 74.13A.005 through 74.13A.080, to more than ninety percent of the
13 foster care maintenance payment for that child had he or she remained
14 in a foster family home during the same period. This subsection does
15 not apply to adoption assistance agreements in existence on the
16 effective date of this section.

17 (7) \$10,741,000 of the home security fund--state appropriation is
18 provided solely for the department to contract for services pursuant to
19 RCW 13.32A.030 and 74.15.220. The department shall contract and
20 collaborate with service providers in a manner that maintains the
21 availability and geographic representation of secure and semi-secure
22 crisis residential centers and HOPE centers. To achieve efficiencies
23 and increase utilization, the department shall allow the co-location of
24 these centers, except that a youth may not be placed in a secure
25 facility or the secure portion of a co-located facility except as
26 specifically authorized by chapter 13.32A RCW. The reductions to
27 appropriations in this subsection related to semi-secure crisis
28 residential centers reflect a reduction to the number of beds for semi-
29 secure crisis residential centers and not a reduction in rates. Any
30 secure crisis residential center or semi-secure crisis residential
31 center bed reduction shall not be based solely upon bed utilization.
32 The department is to exercise its discretion in reducing the number of
33 beds but to do so in a manner that maintains availability and
34 geographic representation of semi-secure and secure crisis residential
35 centers.

36 (8) The department shall convene a workgroup to develop a
37 methodology for calculating savings associated with reductions in
38 foster care caseloads that may be made available for reinvestment into

1 evidence-based prevention and other intervention services designed to
2 prevent the need for or reduce the duration of foster care placements.
3 The workgroup membership shall include, at a minimum, the department,
4 office of financial management, caseload forecast council, Partners for
5 our Children, and legislative fiscal committee staff. The workgroup
6 shall obtain input from experts who have provided consultation in the
7 implementation of performance-based contracting under RCW 74.13.360.
8 The workgroup shall evaluate necessary data, define and establish a
9 baseline level of foster care caseloads or spending to use in
10 calculating savings, and develop a methodology for calculating and
11 distributing savings. The department shall submit a report to the
12 governor and relevant fiscal and policy committees of the legislature
13 by November 15, 2011.

14 (9) \$47,000 of the general fund--state appropriation for fiscal
15 year 2012, \$14,000 of the general fund--state appropriation for fiscal
16 year 2013, and \$40,000 of the general fund--federal appropriation are
17 provided solely to implement Substitute House Bill No. 1697 (dependency
18 system). If the bill is not enacted by June 30, 2011, the amounts
19 provided in this subsection shall lapse.

20 (10) \$564,000 of the general fund--federal appropriation is
21 provided solely to implement Second Substitute House Bill No. 1128
22 (extended foster care). If the bill is not enacted by June 30, 2011,
23 the amount provided in this subsection shall lapse.

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

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

32	General Fund--State Appropriation (FY 2012)	\$87,025,000
33	General Fund--State Appropriation (FY 2013)	\$86,803,000
34	General Fund--Federal Appropriation	\$702,000
35	General Fund--Private/Local Appropriation	\$1,903,000
36	Washington Auto Theft Prevention Authority Account--	
37	State Appropriation	\$196,000

1 Juvenile Accountability Incentive Account--Federal
2 Appropriation \$2,801,000
3 TOTAL APPROPRIATION \$179,430,000

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

6 (1) \$331,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$331,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for deposit in the county criminal
9 justice assistance account for costs to the criminal justice system
10 associated with the implementation of chapter 338, Laws of 1997
11 (juvenile code revisions). The amounts provided in this subsection are
12 intended to provide funding for county adult court costs associated
13 with the implementation of chapter 338, Laws of 1997 and shall be
14 distributed in accordance with RCW 82.14.310.

15 (2) \$2,716,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$2,716,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for the implementation of chapter
18 338, Laws of 1997 (juvenile code revisions). The amounts provided in
19 this subsection are intended to provide funding for county impacts
20 associated with the implementation of chapter 338, Laws of 1997 and
21 shall be distributed to counties as prescribed in the current
22 consolidated juvenile services (CJS) formula.

23 (3) \$3,482,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$3,482,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely to implement community juvenile
26 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
27 code revisions). Funds provided in this subsection may be used solely
28 for community juvenile accountability grants, administration of the
29 grants, and evaluations of programs funded by the grants.

30 (4) \$1,130,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$1,130,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely to implement alcohol and substance
33 abuse treatment programs for locally committed offenders. The juvenile
34 rehabilitation administration shall award these moneys on a competitive
35 basis to counties that submitted a plan for the provision of services
36 approved by the division of alcohol and substance abuse. The juvenile
37 rehabilitation administration shall develop criteria for evaluation of

1 plans submitted and a timeline for awarding funding and shall assist
2 counties in creating and submitting plans for evaluation.

3 (5) \$3,123,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$3,123,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for grants to county juvenile
6 courts for the following programs identified by the Washington state
7 institute for public policy (institute) in its October 2006 report:
8 "Evidence-Based Public Policy Options to Reduce Future Prison
9 Construction, Criminal Justice Costs and Crime Rates": Functional
10 family therapy, multi-systemic therapy, aggression replacement training
11 and interagency coordination programs, or other programs with a
12 positive benefit-cost finding in the institute's report. County
13 juvenile courts shall apply to the juvenile rehabilitation
14 administration for funding for program-specific participation and the
15 administration shall provide grants to the courts consistent with the
16 per-participant treatment costs identified by the institute.

17 (6) \$1,537,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$1,537,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for expansion of the following
20 treatments and therapies in juvenile rehabilitation administration
21 programs identified by the Washington state institute for public policy
22 in its October 2006 report: "Evidence-Based Public Policy Options to
23 Reduce Future Prison Construction, Criminal Justice Costs and Crime
24 Rates": Multidimensional treatment foster care, family integrated
25 transitions, and aggression replacement training, or other programs
26 with a positive benefit-cost finding in the institute's report. The
27 administration may concentrate delivery of these treatments and
28 therapies at a limited number of programs to deliver the treatments in
29 a cost-effective manner.

30 (7)(a) The juvenile rehabilitation administration shall administer
31 a block grant, rather than categorical funding, of consolidated
32 juvenile service funds, community juvenile accountability act grants,
33 the chemical dependency disposition alternative funds, the mental
34 health disposition alternative, and the sentencing disposition
35 alternative for the purpose of serving youth adjudicated in the
36 juvenile justice system. In making the block grant, the juvenile
37 rehabilitation administration shall follow the following formula and
38 will prioritize evidence-based programs and disposition alternatives

1 and take into account juvenile courts program-eligible youth in
2 conjunction with the number of youth served in each approved evidence-
3 based program or disposition alternative: (i) Thirty-seven and one-
4 half percent for the at-risk population of youth ten to seventeen years
5 old; (ii) fifteen percent for moderate and high-risk youth; (iii)
6 twenty-five percent for evidence-based program participation; (iv)
7 seventeen and one-half percent for minority populations; (v) three
8 percent for the chemical dependency disposition alternative; and (vi)
9 two percent for the mental health and sentencing dispositional
10 alternatives. Funding for the special sex offender disposition
11 alternative (SSODA) shall not be included in the block grant, but
12 allocated on the average daily population in juvenile courts. Funding
13 for the evidence-based expansion grants shall be excluded from the
14 block grant formula. Funds may be used for promising practices when
15 approved by the juvenile rehabilitation administration and juvenile
16 courts, through the community juvenile accountability act committee,
17 based on the criteria established in consultation with Washington state
18 institute for public policy and the juvenile courts.

19 (b) The juvenile rehabilitation administration shall phase the
20 implementation of the formula provided in subsection (1) of this
21 section by including a stop-loss formula of five percent in fiscal year
22 2012 and five percent in fiscal year 2013.

23 (c) The juvenile rehabilitation administration and the juvenile
24 courts shall establish a block grant funding formula oversight
25 committee with equal representation from the juvenile rehabilitation
26 administration and the juvenile courts. The purpose of this committee
27 is to assess the ongoing implementation of the block grant funding
28 formula, utilizing data-driven decision making and the most current
29 available information. The committee will be cochaired by the juvenile
30 rehabilitation administration and the juvenile courts, who will also
31 have the ability to change members of the committee as needed to
32 achieve its purpose. Initial members will include one juvenile court
33 representative from the finance committee, the community juvenile
34 accountability act committee, the risk assessment quality assurance
35 committee, the executive board of the Washington association of
36 juvenile court administrators, the Washington state center for court
37 research, and a representative of the superior court judges
38 association; two representatives from the juvenile rehabilitation

1 administration headquarters program oversight staff, two
2 representatives of the juvenile rehabilitation administration regional
3 office staff, one representative of the juvenile rehabilitation
4 administration fiscal staff and a juvenile rehabilitation
5 administration division director. The committee may make changes to
6 the formula categories other than the evidence-based program and
7 disposition alternative categories if it is determined the changes will
8 increase statewide service delivery or effectiveness of evidence-based
9 program or disposition alternative resulting in increased cost benefit
10 savings to the state. Long-term cost benefit must be considered.
11 Percentage changes may occur in the evidence-based program or
12 disposition alternative categories of the formula should it be
13 determined the changes will increase evidence-based program or
14 disposition alternative delivery and increase the cost benefit to the
15 state. These outcomes will also be considered in determining when
16 evidence-based expansion or special sex offender disposition
17 alternative funds should be included in the block grant or left
18 separate.

19 (d) The juvenile courts and administrative office of the courts
20 shall be responsible for collecting and distributing information and
21 providing access to the data systems to the juvenile rehabilitation
22 administration and the Washington state institute for public policy
23 related to program and outcome data. The juvenile rehabilitation
24 administration and the juvenile courts will work collaboratively to
25 develop program outcomes that reinforce the greatest cost benefit to
26 the state in the implementation of evidence-based practices and
27 disposition alternatives.

28 (8) The juvenile courts and administrative office of the courts
29 shall collect and distribute information related to program outcome and
30 provide access to these data systems to the juvenile rehabilitation
31 administration and Washington state institute for public policy.
32 Consistent with chapter 13.50 RCW, all confidentiality agreements
33 necessary to implement this information-sharing shall be approved
34 within 30 days of the effective date of this section. The agreements
35 between administrative office of the courts, the juvenile courts, and
36 the juvenile rehabilitation administration shall be executed to ensure
37 that the juvenile rehabilitation administration receives the data that
38 the juvenile rehabilitation administration identifies as needed to

1 comply with this subsection. This includes, but is not limited to,
 2 information by program at the statewide aggregate level, individual
 3 court level, and individual client level for the purpose of the
 4 juvenile rehabilitation administration providing quality assurance and
 5 oversight for the locally committed youth block grant and associated
 6 funds and at times as specified by the juvenile rehabilitation
 7 administration as necessary to carry out these functions. The data
 8 shall be provided in a manner that reflects the collaborative work the
 9 juvenile rehabilitation administration and juvenile courts have
 10 developed regarding program outcomes that reinforce the greatest cost
 11 benefit to the state in the implementation of evidence-based practices
 12 and disposition alternatives.

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

15 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

16	General Fund--State Appropriation (FY 2012)	\$322,704,000
17	General Fund--State Appropriation (FY 2013)	\$327,615,000
18	General Fund--Federal Appropriation	\$456,691,000
19	General Fund--Private/Local Appropriation	\$17,604,000
20	Hospital Safety Net Assessment Fund--State	
21	Appropriation	\$6,802,000
22	TOTAL APPROPRIATION	\$1,131,416,000

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

25 (a) \$109,342,000 of the general fund--state appropriation for
 26 fiscal year 2012 and \$109,341,000 of the general fund--state
 27 appropriation for fiscal year 2013 are provided solely for persons and
 28 services not covered by the medicaid program. This is a reduction of
 29 \$4,348,000 each fiscal year from the nonmedicaid funding that was
 30 allocated for expenditure by regional support networks during fiscal
 31 year 2011 prior to supplemental budget reductions. This \$4,348,000
 32 reduction shall be distributed among regional support networks
 33 proportional to each network's share of the total state population. To
 34 the extent possible, levels of regional support network spending shall
 35 be maintained in the following priority order: (i) Crisis and
 36 commitment services; (ii) community inpatient services; and (iii)

1 residential care services, including personal care and emergency
2 housing assistance.

3 (b) \$6,590,000 of the general fund--state appropriation for fiscal
4 year 2012, \$6,590,000 of the general fund--state appropriation for
5 fiscal year 2013, and \$7,620,000 of the general fund--federal
6 appropriation are provided solely for the department and regional
7 support networks to continue to contract for implementation of high-
8 intensity programs for assertive community treatment (PACT) teams. In
9 determining the proportion of medicaid and nonmedicaid funding provided
10 to regional support networks with PACT teams, the department shall
11 consider the differences between regional support networks in the
12 percentages of services and other costs associated with the teams that
13 are not reimbursable under medicaid. The department may allow regional
14 support networks which have nonmedicaid reimbursable costs that are
15 higher than the nonmedicaid allocation they receive under this section
16 to supplement these funds with local dollars or funds received under
17 section 204(1)(a) of this act. The department and regional support
18 networks shall maintain consistency with all essential elements of the
19 PACT evidence-based practice model in programs funded under this
20 section.

21 (c) \$5,850,000 of the general fund--state appropriation for fiscal
22 year 2012, \$5,850,000 of the general fund--state appropriation for
23 fiscal year 2013, and \$1,300,000 of the general fund--federal
24 appropriation are provided solely for the western Washington regional
25 support networks to provide either community- or hospital campus-based
26 services for persons who require the level of care previously provided
27 by the program for adaptive living skills (PALS) at western state
28 hospital.

29 (d) The number of nonforensic beds allocated for use by regional
30 support networks at eastern state hospital shall be 192 per day. The
31 number of nonforensic beds allocated for use by regional support
32 networks at western state hospital shall be 557 per day.

33 (e) From the general fund--state appropriations in this subsection,
34 the secretary of social and health services shall assure that regional
35 support networks reimburse the aging and disability services
36 administration for the general fund--state cost of medicaid personal
37 care services that enrolled regional support network consumers use
38 because of their psychiatric disability.

1 (f) \$4,582,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$4,582,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for mental health services for
4 mentally ill offenders while confined in a county or city jail and for
5 facilitating access to programs that offer mental health services upon
6 release from confinement.

7 (g) The department is authorized to continue to contract directly,
8 rather than through contracts with regional support networks, for
9 children's long-term inpatient facility services.

10 (h) \$750,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$750,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely to continue performance-based
13 incentive contracts to provide appropriate community support services
14 for individuals with severe mental illness who were discharged from the
15 state hospitals as part of the expanding community services initiative.
16 These funds will be used to enhance community residential and support
17 services provided by regional support networks through other state and
18 federal funding.

19 (i) \$1,125,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$1,125,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for the Spokane regional support
22 network to implement services to reduce utilization and the census at
23 eastern state hospital. Such services shall include:

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

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

30 (iii) Mental health services provided in nursing facilities to
31 individuals with dementia, and consultation to facility staff treating
32 those individuals; and

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

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

1 (j) \$1,529,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$1,529,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely to reimburse Pierce and Spokane
4 counties for the cost of conducting 180-day commitment hearings at the
5 state psychiatric hospitals.

6 (k) Regional support networks may use local funds to earn
7 additional federal medicaid match, provided the locally matched rate
8 does not exceed the upper-bound of their federally allowable rate
9 range, and provided that the enhanced funding is used only to provide
10 medicaid state plan or waiver services to medicaid clients.
11 Additionally, regional support networks may use a portion of the state
12 funds allocated in accordance with (a) of this subsection to earn
13 additional medicaid match, but only to the extent that the application
14 of such funds to medicaid services does not diminish the level of
15 crisis and commitment, community inpatient, residential care, and
16 outpatient services presently available to persons not eligible for
17 medicaid.

18 (l) Given the recent approval of federal medicaid matching funds
19 for the disability lifeline and the alcohol and drug abuse treatment
20 support act programs, the department shall charge regional support
21 networks for only the state share rather than the total cost of
22 community psychiatric hospitalization for persons enrolled in those
23 programs.

24 (m) \$750,000 of the general fund--state appropriation for fiscal
25 year 2012, \$750,000 of the general fund--state appropriation for fiscal
26 year 2013, and \$1,500,000 of the general fund--federal appropriation
27 are provided solely to adjust regional support network capitation rates
28 to account for the per diem rates actually paid for psychiatric care
29 provided at hospitals participating in the certified public expenditure
30 program operated pursuant to section 213 of this act.

31 (2) INSTITUTIONAL SERVICES

32	General Fund--State Appropriation (FY 2012)	\$114,686,000
33	General Fund--State Appropriation (FY 2013)	\$113,766,000
34	General Fund--Federal Appropriation	\$150,767,000
35	General Fund--Private/Local Appropriation . . . . .	.\$65,834,000
36	TOTAL APPROPRIATION	\$445,053,000

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

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

4 (b) \$231,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$231,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for a community partnership
7 between western state hospital and the city of Lakewood to support
8 community policing efforts in the Lakewood community surrounding
9 western state hospital. The amounts provided in this subsection (2)(b)
10 are for the salaries, benefits, supplies, and equipment for one full-
11 time investigator, one full-time police officer, and one full-time
12 community service officer at the city of Lakewood.

13 (c) \$45,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$45,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for payment to the city of
16 Lakewood for police services provided by the city at western state
17 hospital and adjacent areas.

18 (d) \$20,000,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$20,000,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely to maintain staffed capacity to
21 serve an average daily census in forensic wards at western state
22 hospital of 270 patients per day.

23 (3) SPECIAL PROJECTS

24	General Fund--State Appropriation (FY 2012)	\$1,457,000
25	General Fund--State Appropriation (FY 2013)	\$1,462,000
26	General Fund--Federal Appropriation	\$2,682,000
27	General Fund--Private/Local Appropriation	\$700,000
28	TOTAL APPROPRIATION	\$6,301,000

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

31 (a) \$1,161,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$1,161,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for children's evidence based
34 mental health services. Funding is sufficient to continue serving
35 children at the same levels as fiscal year 2009.

36 (b) \$700,000 of the general fund--private/local appropriation is
37 provided solely for the University of Washington's evidence based
38 practice institute which supports the identification, evaluation, and

1 implementation of evidence-based or promising practices for serving
2 children and youth with mental health disorders. The department shall
3 enter into an interagency agreement with the office of the attorney
4 general for expenditure of \$700,000 of the state's proceeds of the cy
5 *pres* settlement in *State of Washington v. AstraZeneca (Seroquel)* for
6 this purpose.

7 (4) PROGRAM SUPPORT

8	General Fund--State Appropriation (FY 2012)	\$4,276,000
9	General Fund--State Appropriation (FY 2013)	\$4,102,000
10	General Fund--Federal Appropriation	\$6,894,000
11	General Fund--Private/Local Appropriation	\$446,000
12	TOTAL APPROPRIATION . . . . .	.\$15,718,000

13 The appropriations in this subsection are subject to the following
14 conditions and limitations: In accordance with RCW 43.20B.110,
15 43.135.055, and 71.24.035, the department is authorized to increase
16 license and certification fees in fiscal years 2012 and 2013 to support
17 the costs of the regulatory program. The fee schedule increases must
18 be developed so that the maximum amount of additional fees paid by
19 providers statewide in the 2011-2013 fiscal biennium is \$446,000. The
20 department's fee schedule shall have differential rates for providers
21 with proof of accreditation from organizations that the department has
22 determined to have substantially equivalent standards to those of the
23 department, including but not limited to the joint commission on
24 accreditation of health care organizations, the commission on
25 accreditation of rehabilitation facilities, and the council on
26 accreditation. To reflect the reduced costs associated with regulation
27 of accredited programs, the department's fees for organizations with
28 such proof of accreditation must reflect the lower costs of licensing
29 for these programs than for other organizations which are not
30 accredited.

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

33 (1) COMMUNITY SERVICES

34	General Fund--State Appropriation (FY 2012)	\$418,664,000
35	General Fund--State Appropriation (FY 2013)	\$422,393,000
36	General Fund--Federal Appropriation	\$726,897,000
37	General Fund--Private/Local Appropriation	\$184,000

1 TOTAL APPROPRIATION \$1,568,138,000

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

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

8 (b) Amounts appropriated in this subsection reflect a reduction to
9 funds appropriated for in-home care. The department shall reduce the
10 number of in-home hours authorized. The reduction shall be scaled
11 based on the acuity level of care recipients. The largest hour
12 reductions shall be to lower acuity patients and the smallest hour
13 reductions shall be to higher acuity patients.

14 (c) Amounts appropriated in this subsection are sufficient to
15 develop and implement the use of a consistent, statewide outcome-based
16 vendor contract for employment and day services by July 1, 2012. The
17 rates paid to vendors under this contract shall also be made
18 consistent. In its description of activities the agency shall include
19 activity listings and dollars appropriated for: Employment services,
20 day services, child development services and county administration of
21 services to the developmentally disabled. The department shall begin
22 reporting to the office of financial management on these activities
23 beginning in fiscal year 2010.

24 (d) \$944,000 of the general fund--state appropriation for fiscal
25 year 2012, \$944,000 of the general fund--state appropriation for fiscal
26 year 2013, and \$1,888,000 of the general fund--federal appropriation
27 are provided solely for state contributions for individual provider
28 health care benefits. Pursuant to the collective bargaining agreement
29 negotiated with the exclusive bargaining representative of individual
30 providers established under RCW 74.39A.270, the state shall contribute
31 to the multiemployer health benefits trust fund \$1.96 per paid hour
32 worked by individual providers.

33 (e) \$1,871,000 of the general fund--state appropriation for fiscal
34 year 2012, \$1,995,000 of the general fund--state appropriation for
35 fiscal year 2013, and \$3,865,000 of the general fund--federal
36 appropriation are provided solely for home care agencies to purchase
37 health coverage for home care providers. The department shall
38 calculate and distribute payments for health care benefits to home care

1 agencies at \$558 per month for each worker who cares for publicly
2 funded clients at 86 hours or more per month. In order to negotiate
3 the most comprehensive health benefits package for its employees, each
4 agency may determine benefit levels according to the hours an employee
5 works providing state-funded personal care. Health benefits shall be
6 offered to all employees who care for publicly funded clients for 86
7 hours per month or more. At a minimum, employees who care for publicly
8 funded clients at 140 hours a month or greater must receive a
9 comprehensive medical benefit. Benefits shall not be provided to
10 employees who care for publicly funded clients at 85 hours or less per
11 month or as interim respite workers. The department shall not pay an
12 agency for benefits provided to an employee who otherwise receives
13 health care coverage through other family members, other
14 employment-based coverage, or military or veteran's coverage. The
15 department shall require annually, each home care agency to review each
16 of its employee's available health coverage and to provide a written
17 declaration to the department verifying that health benefits purchased
18 with public funds are solely for employees that do not have other
19 available coverage. Home care agencies may determine a reasonable
20 employee co-premium not to exceed 20 percent of the total benefit cost.

21 (f) \$1,127,000 of the general fund--state appropriation for fiscal
22 year 2012, \$1,199,000 of the general fund--state appropriation for
23 fiscal year 2013, and \$2,322,000 of the general fund--federal
24 appropriation are provided solely for the state's contribution to the
25 training partnership, as provided in RCW 74.39A.360, for instructional
26 costs associated with the training of individual providers. House Bill
27 No. 1548 and Senate Bill No. 5473 (long-term care worker requirements)
28 make statutory changes to the increased training requirements and
29 therefore the state shall contribute to the partnership \$0.17 per paid
30 hour worked by all home care workers. This amount is pursuant to the
31 collective bargaining agreement negotiated with the exclusive
32 bargaining representative of individual providers established under RCW
33 74.39A.270. Expenditures for the purposes specified in this subsection
34 shall not exceed the amounts provided in this subsection.

35 (g)(i) Within the amounts appropriated in this subsection, the
36 department shall revise the current working age adult policy to allow
37 clients to choose between employment and community access activities.
38 Clients age 21 and older who are receiving services through a home- and

1 community-based medicaid waiver shall be offered the choice to
2 transition to a community access program after nine months of
3 enrollment in an employment program, and the option to transition from
4 a community access program to an employment program at any time. The
5 department shall inform clients and their legal representatives of all
6 available options for employment and day services. Information
7 provided to the client and the client's legal representative shall
8 include the types of activities each service option provides, and the
9 amount, scope, and duration of service for which the client would be
10 eligible under each service option. An individual client may be
11 authorized for only one service option, either employment services or
12 community access services. Clients may not participate in more than
13 one of these services at any given time.

14 (ii) The department shall work with counties and stakeholders to
15 strengthen and expand the existing community access program. The
16 program must emphasize support for the client so they are able to
17 participate in activities that integrate them into their community and
18 support independent living and skills.

19 (iii) The appropriation in this subsection includes funding to
20 provide employment or community access services to 168 medicaid
21 eligible young adults with developmental disabilities living with their
22 families who need employment opportunities and assistance after high
23 school graduation.

24 (h) \$75,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$75,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for the restoration of direct
27 support to local organizations that utilize parent-to-parent networks
28 and communication to promote access and quality of care for individuals
29 with developmental disabilities and their families.

30 (i) In accordance with Engrossed Substitute House Bill No. 1277
31 (licensed settings for vulnerable adults), adult family home license
32 fees are increased in fiscal years 2012 and 2013 to support the costs
33 of conducting licensure, inspection, and regulatory programs.

34 (i) The current annual renewal license fee for adult family homes
35 shall be increased to \$100 per bed beginning in fiscal year 2012 and
36 \$175 per bed beginning in fiscal year 2013. Adult family homes shall
37 receive a corresponding vendor rate increase per medicaid patient day

1 of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013 to cover the
2 cost of the license fee increase for publicly funded beds.

3 (ii) Beginning in fiscal year 2012, a processing fee of \$2,750
4 shall be charged to each adult family home when the home is initially
5 licensed. This fee is nonrefundable.

6 (j) The department shall assess and determine whether it would be
7 cost-efficient for the state to exercise the option made available
8 under section 1915(k) of the federal social security act (42 U.S.C.
9 Sec. 1396n(k)). If the department determines that it would be cost-
10 efficient for the state to exercise the federal option, it shall
11 prepare a proposal to provide home- and community-based attendant
12 services and supports that include assistance with activities of daily
13 living (ADL's), instrumental activities of daily living (IADL's), and
14 health-related tasks pursuant to section 1915(k) of the federal social
15 security act (42 U.S.C. Sec. 1396n(k)) and submit that plan to the
16 legislature during the next legislative session.

17 (k) Clients with developmental disabilities have demonstrated a
18 need and a desire for a day services program as verified by over 900
19 clients currently accessing day programs through a long-term care
20 service model. In addition, every individual, to include those with a
21 developmental disability, should have the opportunity for meaningful
22 employment which allows them to contribute to their communities and to
23 become as self-sufficient as possible. Providing choice empowers
24 recipients of publicly funded services and their families by expanding
25 their degree of control over the services and supports they need.

26 The department shall work with legislators and stakeholders to
27 develop a new approach to employment and day services. The objective
28 of this plan is to ensure that adults with developmental disabilities
29 have optimum choices, and that employment and day offerings are
30 comprehensive enough to meet the needs of all clients currently served
31 on a home and community based waiver. The proposal shall be submitted
32 to the 2012 legislature for consideration and shall be constructed such
33 that a client ultimately receives employment, community access, or the
34 community day option but not more than one service at a time. The
35 proposal shall include options for program efficiencies within the
36 current employment and day structure and shall provide details on the
37 plan to implement a consistent, statewide outcome-based vendor contract
38 for employment and day services as specified in (c) of this subsection.

1	(2) INSTITUTIONAL SERVICES	
2	General Fund--State Appropriation (FY 2012)	\$80,256,000
3	General Fund--State Appropriation (FY 2013)	\$79,288,000
4	General Fund--Federal Appropriation	\$153,007,000
5	General Fund--Private/Local Appropriation	\$22,043,000
6	TOTAL APPROPRIATION	\$334,594,000

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

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

13 (b) \$721,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$721,000 of the general fund--state appropriation for
15 fiscal year 2013 are for the department to fulfill its contracts with
16 the school districts under chapter 28A.190 RCW to provide
17 transportation, building space, and other support services as are
18 reasonably necessary to support the educational programs of students
19 living in residential habilitation centers.

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

26 (d) No resident shall be moved from either Frances Haddon Morgan
27 Center or Yakima Valley School unless and until the department has the
28 appropriate and suitable community option and services available as
29 specified in the client's individual habilitation plan.

30	(3) PROGRAM SUPPORT	
31	General Fund--State Appropriation (FY 2012)	\$1,383,000
32	General Fund--State Appropriation (FY 2013)	\$1,376,000
33	General Fund--Federal Appropriation	\$1,326,000
34	TOTAL APPROPRIATION	\$4,085,000

35	(4) SPECIAL PROJECTS	
36	General Fund--State Appropriation (FY 2012)	\$4,659,000
37	General Fund--State Appropriation (FY 2013)	\$4,659,000

1	General Fund--Federal Appropriation	\$9,590,000
2	General Fund--Private/Local Appropriation	\$998,000
3	TOTAL APPROPRIATION . . . . .	.\$19,906,000

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

6 Amounts appropriated in this subsection are for the purposes of
7 transitioning clients with developmental disabilities into community
8 settings. The department is authorized as needed to use these funds to
9 either pay for clients residing within a residential habilitation
10 center or for placements in the community. Pursuant to Second
11 Substitute Senate Bill No. 5459 (services for people with developmental
12 disabilities), funding in this subsection must be prioritized for the
13 purpose of facilitating the consolidation and closure of Frances Haddon
14 Morgan Center. The department shall use a person-centered approach in
15 developing the discharge plan to assess each resident's needs and
16 identify services the resident requires to successfully transition to
17 the community or another residential habilitation center. The
18 department is authorized to use any savings from this effort for the
19 purpose of developing community resources to address the needs of
20 clients with developmental disabilities who are in crisis or in need of
21 respite. The department shall track the costs and savings of closing
22 Frances Haddon Morgan Center and any investments into community
23 placements and resources. The department shall provide a fiscal
24 progress report to the legislature by December 5, 2011.

25 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
26 **SERVICES--AGING AND ADULTSERVICES PROGRAM**

27	General Fund--State Appropriation (FY 2012)	\$783,305,000
28	General Fund--State Appropriation (FY 2013)	\$811,670,000
29	General Fund--Federal Appropriation	\$1,686,010,000
30	General Fund--Private/Local Appropriation . . . . .	.\$27,517,000
31	Traumatic Brain Injury Account--State Appropriation	\$3,388,000
32	Nursing Facility Quality Assurance Account--State	
33	Appropriation	\$88,000,000
34	TOTAL APPROPRIATION	\$3,399,890,000

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

1 (1) For purposes of implementing chapter 74.46 RCW, the weighted
2 average nursing facility payment rate shall not exceed \$170.37 for
3 fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013,
4 including the rate add-ons described in (a) and (b) of this subsection.
5 However, if the waiver requested from the federal centers for medicare
6 and medicaid services in relation to the safety net assessment created
7 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is
8 for any reason not approved and implemented, the weighted average
9 nursing facility payment rate shall not exceed \$159.87 for fiscal year
10 2012 and shall not exceed \$160.93 for fiscal year 2013. There will be
11 no adjustments for economic trends and conditions in fiscal years 2012
12 and 2013. The economic trends and conditions factor or factors defined
13 in the biennial appropriations act shall not be compounded with the
14 economic trends and conditions factor or factors defined in any other
15 biennial appropriations acts before applying it to the component rate
16 allocations established in accordance with chapter 74.46 RCW. When no
17 economic trends and conditions factor for either fiscal year is defined
18 in a biennial appropriations act, no economic trends and conditions
19 factor or factors defined in any earlier biennial appropriations act
20 shall be applied solely or compounded to the component rate allocations
21 established in accordance with chapter 74.46 RCW.

22 (a) Within the funds provided, the department shall continue to
23 provide an add-on per medicaid resident day per facility not to exceed
24 \$1.57. The add-on shall be used to increase wages, benefits, and/or
25 staffing levels for certified nurse aides; or to increase wages and/or
26 benefits for dietary aides, housekeepers, laundry aides, or any other
27 category of worker whose statewide average dollars-per-hour wage was
28 less than \$15 in calendar year 2008, according to cost report data.
29 The add-on may also be used to address resulting wage compression for
30 related job classes immediately affected by wage increases to low-wage
31 workers. The department shall continue reporting requirements and a
32 settlement process to ensure that the funds are spent according to this
33 subsection.

34 (b) The department shall do a comparative analysis of the facility-
35 based payment rates calculated on July 1, 2011, using the payment
36 methodology defined in Engrossed Substitute Senate Bill No. 5581
37 (nursing home payments), to the facility-based payment rates in effect
38 June 30, 2010. If the facility-based payment rate calculated on July

1 1, 2011, is smaller than the facility-based payment rate on June 30,
2 2010, then the difference shall be provided to the individual nursing
3 facilities as an add-on payment per medicaid resident day.

4 (c) During the comparative analysis performed in subsection (b) of
5 this section, if it is found that the direct care rate for any facility
6 calculated using the payment methodology defined in Engrossed
7 Substitute Senate Bill No. 5581 (nursing home payments) is greater than
8 the direct care rate in effect on June 30, 2010, then the facility
9 shall receive a ten percent direct care rate add-on to compensate that
10 facility for taking on more acute clients than they have in the past.

11 (d) The department shall provide a medicaid rate add-on to
12 reimburse the medicaid share of the skilled nursing facility safety net
13 assessment as a medicaid allowable cost. The nursing facility safety
14 net rate add-on may not be included in the calculation of the annual
15 statewide weighted average nursing facility payment rate.

16 (e) If the waiver requested from the federal centers for medicare
17 and medicaid services in relation to the safety net assessment created
18 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is
19 for any reason not approved and implemented, subsections (b), (c), and
20 (d) of this subsection do not apply.

21 (2) After examining actual nursing facility cost information, the
22 legislature finds that the medicaid nursing facility rates calculated
23 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home
24 payments) provide sufficient reimbursement to efficiently and
25 economically operating nursing facilities and bear a reasonable
26 relationship to costs.

27 (3) In accordance with chapter 74.46 RCW, the department shall
28 issue no additional certificates of capital authorization for fiscal
29 year 2012 and no new certificates of capital authorization for fiscal
30 year 2013 and shall grant no rate add-ons to payment rates for capital
31 improvements not requiring a certificate of need and a certificate of
32 capital authorization for fiscal years 2012 and 2013.

33 (4) The long-term care program may develop and pay enhanced rates
34 for exceptional care to nursing homes for persons with traumatic brain
35 injuries who are transitioning from hospital care. The cost per
36 patient day for caring for these clients in a nursing home setting may
37 be equal to or less than the cost of caring for these clients in a
38 hospital setting.

1 (5) Amounts appropriated in this section reflect a reduction to
2 funds appropriated for in-home care. The department shall reduce the
3 number of in-home hours authorized. The reduction shall be scaled
4 based on the acuity level of care recipients. The largest hour
5 reductions shall be to lower acuity patients and the smallest hour
6 reductions shall be to higher acuity patients.

7 (6) \$1,883,000 of the general fund--state appropriation for fiscal
8 year 2012, \$1,883,000 of the general fund--state appropriation for
9 fiscal year 2013, and \$3,766,000 of the general fund--federal
10 appropriation are provided solely for state contributions for
11 individual provider health care benefits. Pursuant to the collective
12 bargaining agreement negotiated with the exclusive bargaining
13 representative of individual providers established under RCW
14 74.39A.270, the state shall contribute to the multiemployer health
15 benefits trust fund \$1.96 per paid hour worked by individual providers.

16 (7) \$16,835,000 of the general fund--state appropriation for fiscal
17 year 2012, \$17,952,000 of the general fund--state appropriation for
18 fiscal year 2013, and \$34,786,000 of the general fund--federal
19 appropriation are provided solely for home care agencies to purchase
20 health coverage for home care providers. The department shall
21 calculate and distribute payments for health care benefits to home care
22 agencies at \$558 per month for each worker who cares for publicly
23 funded clients at 86 hours or more per month. In order to negotiate
24 the most comprehensive health benefits package for its employees, each
25 agency may determine benefit levels according to the hours an employee
26 works providing state-funded personal care. Health benefits shall be
27 offered to all employees who care for publicly funded clients for 86
28 hours per month or more. At a minimum, employees who care for publicly
29 funded clients at 140 hours a month or greater must receive a
30 comprehensive medical benefit. Benefits shall not be provided to
31 employees who care for publicly funded clients at 85 hours or less per
32 month or as interim respite workers. The department shall not pay an
33 agency for benefits provided to an employee who otherwise receives
34 health care coverage through other family members, other
35 employment-based coverage, or military or veteran's coverage. The
36 department shall require annually, each home care agency to review each
37 of its employee's available health coverage and to provide a written
38 declaration to the department verifying that health benefits purchased

1 with public funds are solely for employees that do not have other
2 available coverage. Home care agencies may determine a reasonable
3 employee co-premium not to exceed 20 percent of the total benefit cost.

4 (8) \$2,063,000 of the general fund--state appropriation for fiscal
5 year 2012, \$2,195,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$4,260,000 of the general fund--federal
7 appropriation are provided solely for the state's contribution to the
8 training partnership, as provided in RCW 74.39A.360, for instructional
9 costs associated with the training of individual providers. House Bill
10 No. 1548 and Senate Bill No. 5473 (long-term care worker requirements)
11 make statutory changes to the increased training requirements and
12 therefore the state shall contribute to the partnership \$0.17 per paid
13 hour worked by all home care workers. This amount is pursuant to the
14 collective bargaining agreement negotiated with the exclusive
15 bargaining representative of individual providers established under RCW
16 74.39A.270. Expenditures for the purposes specified in this subsection
17 shall not exceed the amounts provided in this subsection.

18 (9) Individuals receiving services as supplemental security income
19 (SSI) state supplemental payments shall not become eligible for medical
20 assistance under RCW 74.09.510 due solely to the receipt of SSI state
21 supplemental payments.

22 (10) The department shall eliminate the adult day health program
23 under the state plan 1915(i) option and shall reestablish it under the
24 long-term care home and community-based waiver.

25 (11) \$4,588,000 of the general fund--state appropriation for fiscal
26 year 2012, \$4,559,000 of the general fund--state appropriation for
27 fiscal year 2013, and \$9,237,000 of the general fund--federal
28 appropriation are provided solely for the continued operation of
29 community residential and support services for persons who are older
30 adults or who have co-occurring medical and behavioral disorders and
31 who have been discharged or diverted from a state psychiatric hospital.
32 These funds shall be used to serve individuals whose treatment needs
33 constitute substantial barriers to community placement, who no longer
34 require active psychiatric treatment at an inpatient hospital level of
35 care, and who no longer meet the criteria for inpatient involuntary
36 commitment.

37 (12) \$1,840,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$1,877,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for operation of the volunteer
2 services program. Funding shall be prioritized towards serving
3 populations traditionally served by long-term care services to include
4 senior citizens and persons with disabilities.

5 (13) In accordance with Engrossed Substitute House Bill No. 1277
6 (licensed settings for vulnerable adults), nursing facility fees are
7 increased in fiscal year 2012 and adult family home fees are increased
8 in fiscal year 2012 and fiscal year 2013 to support the costs of
9 conducting licensure, inspection, and regulatory programs.

10 (a) The current annual renewal license fee for nursing facilities
11 shall be increased to \$359 per bed beginning in fiscal year 2012 and
12 assumes \$517,000 of the general fund--private/local appropriation.
13 Nursing facilities shall receive a vendor rate increase of \$0.08 per
14 medicaid patient day to cover the license fee increase for publicly
15 funded beds.

16 (b) The current annual renewal license fee for adult family homes
17 shall be increased to \$100 per bed beginning in fiscal year 2012 and
18 assumes \$1,449,000 of the general fund--private/local appropriation;
19 and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000
20 of the general fund--private/local appropriation. Adult family homes
21 shall receive a corresponding vendor rate increase per medicaid patient
22 day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013 to cover
23 the license fee increase for publicly funded beds.

24 (c) Beginning in fiscal year 2012, a processing fee of \$2,750 shall
25 be charged to each adult family home when the home is initially
26 licensed. This fee is nonrefundable.

27 (d) \$72,000 of the general fund--state appropriation for fiscal
28 year 2012, \$708,000 of the general fund--private/local appropriation
29 and \$708,000 of the general fund--federal appropriation are provided
30 solely to implement sections 501 through 503 of Engrossed Substitute
31 House Bill No. 1277 (licensed settings for vulnerable adults). The
32 department shall use additional investigative resources to address
33 complaints about provider practices as well as alleged abuse, neglect,
34 abandonment, and exploitation of residents in adult family homes. The
35 department shall develop a statewide internal quality review and
36 accountability program to improve the accountability of staff and the
37 consistent application of investigative activities, and shall convene

1 a quality assurance panel to review problems in the quality of care in
2 adult family homes.

3 (14) \$3,316,000 of the traumatic brain injury account--state
4 appropriation is provided solely to continue services for persons with
5 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011
6 (traumatic brain injury strategic partnership).

7 (15) The department is authorized to place long-term care clients
8 residing in nursing homes and paid for with state only funds into less
9 restrictive community care settings while continuing to meet the
10 client's care needs.

11 (16) \$30,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$30,000 of the general fund--federal appropriation are
13 provided solely to implement Engrossed Second Substitute House Bill No.
14 1901 (reshaping the delivery of long-term care services). If the bill
15 is not enacted by June 30, 2011, the amounts provided in this
16 subsection shall lapse.

17 (17) The department shall assess and determine whether it would be
18 cost-efficient for the state to exercise the option made available
19 under section 1915(k) of the federal social security act (42 U.S.C.
20 Sec. 1396n(k)). If the department determines that it would be cost
21 efficient for the state to exercise the federal option, it shall
22 prepare a proposal to provide home- and community-based attendant
23 services and supports that include assistance with activities of daily
24 living (ADL's), instrumental activities of daily living (IADL's), and
25 health-related tasks pursuant to section 1915(k) of the federal social
26 security act (42 U.S.C. Sec. 1396n(k)) and submit that plan to the
27 legislature during the subsequent legislative session.

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

30	General Fund--State Appropriation (FY 2012)	\$506,611,000
31	General Fund--State Appropriation (FY 2013)	\$500,003,000
32	General Fund--Federal Appropriation	\$1,115,799,000
33	General Fund--Private/Local Appropriation	\$30,592,000
34	TOTAL APPROPRIATION	\$2,153,005,000

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

1 (1) \$297,623,000 of the general fund--state appropriation for
2 fiscal year 2012, \$297,623,000 of the general fund--state appropriation
3 for fiscal year 2013, and \$672,443,000 of the general fund--federal
4 appropriation are provided solely for all components of the WorkFirst
5 program. Under section 2 of Engrossed Substitute Senate Bill No. 5921
6 (social services programs), the amounts in this subsection assume that
7 any participant in the temporary assistance for needy families where
8 their participation is suspended and does not volunteer to participate
9 in WorkFirst services or unsubsidized employment does not receive child
10 care subsidies or WorkFirst subsidies as a condition of the suspension.
11 Within the amounts provided for the WorkFirst program, the department
12 may provide assistance using state-only funds for families eligible for
13 temporary assistance for needy families.

14 (a) Within the amounts provided for WorkFirst in this subsection,
15 the department shall continue to implement WorkFirst program
16 improvements that are designed to achieve progress against outcome
17 measures specified in RCW 74.08A.410.

18 (b) The department may establish a career services work transition
19 program.

20 (c) Within the amounts provided in this subsection, \$1,414,000 of
21 the general fund--state appropriation for fiscal year 2012 and
22 \$5,150,000 of the general fund--state appropriation for fiscal year
23 2013 are provided solely for the implementation and administration of
24 the electronic benefit transfer system under section 12 of Engrossed
25 Substitute Senate Bill No. 5921 (social services programs). The
26 department shall transfer these amounts to the department of early
27 learning for the implementation and administration of the project.

28 (d) Within amounts appropriated in this section, the legislature
29 expressly mandates that the department exercise its authority, granted
30 in 1997 under RCW 74.08A.290, to contract for work activities services
31 pursuant to that statutory authority and RCW 41.06.142(3).

32 (e) The department shall create a temporary assistance for needy
33 families budget structure that allows for more transparent tracking of
34 budget units and subunits of expenditures where these units and
35 subunits are mutually exclusive from other department budget units.
36 The budget structure shall include budget units for the following:
37 Grants, child care, WorkFirst activities, and administration of the
38 program.

1 (2)(a) \$11,825,000 of the general fund--federal appropriation is
2 provided solely for a contingency reserve in the event the temporary
3 assistance for needy families cash benefit is projected to exceed
4 forecasted amounts by more than one percent. The department shall only
5 expend an amount equal to the forecasted over-expenditure. For
6 purposes of this subsection, the temporary assistance forecast shall be
7 completed every quarter and follow a similar schedule of the caseload
8 forecast council forecasts.

9 (b) If sufficient savings in subsection (1) of this section are
10 achieved, the department of early learning shall increase the number of
11 child care slots available for the working connections child care
12 program.

13 (3) \$31,960,000 of the general fund--state appropriation for fiscal
14 year 2012, in addition to supplemental security income recoveries, is
15 provided solely for financial assistance and other services to
16 recipients in the program established in section 4, chapter 8, Laws of
17 2010 1st sp. sess., until the program terminates on October 31, 2011.

18 (4)(a) \$11,690,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$21,494,000 of the general fund--state
20 appropriation for fiscal year 2013, in addition to supplemental
21 security income recoveries, are provided solely for the programs
22 created in Engrossed Substitute House Bill No. 2082 (essential needs
23 and assistance program) beginning November 1, 2011.

24 (b) The department shall review clients receiving services through
25 the aged, blind, or disabled assistance program, to determine whether
26 they would benefit from assistance in becoming naturalized citizens,
27 and thus be eligible to receive federal supplemental security income
28 benefits. Those cases shall be given high priority for naturalization
29 funding through the department.

30 (c) The department shall continue the interagency agreement with
31 the department of veterans' affairs to establish a process for referral
32 of veterans who may be eligible for veterans' services. This agreement
33 must include out-stationing department of veterans' affairs staff in
34 selected community service office locations in King and Pierce counties
35 to facilitate applications for veterans' services.

36 (5) \$1,657,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$1,657,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely for naturalization services.

1 (6) \$2,366,000 of the general fund--state appropriation for fiscal
 2 year 2012 is provided solely for refugee employment services, of which
 3 \$1,774,000 is provided solely for the department to pass through to
 4 statewide refugee assistance organizations for limited English
 5 proficiency pathway services; and \$2,366,000 of the general fund--state
 6 appropriation for fiscal year 2013 is provided solely for refugee
 7 employment services, of which \$1,774,000 is provided solely for the
 8 department to pass through to statewide refugee assistance
 9 organizations for limited English proficiency pathway services.

10 (7) On December 1, 2011, and annually thereafter, the department
 11 must report to the legislature on all sources of funding available for
 12 both refugee and immigrant services and naturalization services during
 13 the current fiscal year and the amounts expended to date by service
 14 type and funding source. The report must also include the number of
 15 clients served and outcome data for the clients.

16 (8) To ensure expenditures remain within available funds
 17 appropriated in this section, the legislature establishes the benefit
 18 under the state food assistance program, pursuant to RCW 74.08A.120, to
 19 be fifty percent of the federal supplemental nutrition assistance
 20 program benefit amount.

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

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

29	General Fund--State Appropriation (FY 2012)	\$75,785,000
30	General Fund--State Appropriation (FY 2013)	\$75,924,000
31	General Fund--Federal Appropriation	\$141,516,000
32	General Fund--Private/Local Appropriation	\$2,086,000
33	Criminal Justice Treatment Account--State	
34	Appropriation	\$17,748,000
35	Problem Gambling Account--State Appropriation	\$1,448,000
36	TOTAL APPROPRIATION	\$314,507,000

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

3 (1) Within the amounts appropriated in this section, the department
4 may contract with the University of Washington and community-based
5 providers for the provision of the parent-child assistance program.
6 For all contractors, indirect charges for administering the program
7 shall not exceed ten percent of the total contract amount.

8 (2) Within the amounts appropriated in this section, the department
9 shall continue to provide for chemical dependency treatment services
10 for adult medicaid eligible, pregnant and parenting women, disability
11 lifeline, and alcoholism and drug addiction treatment and support act,
12 and medical care services clients.

13 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
14 department is authorized to increase fees for the review and approval
15 of treatment programs in fiscal years 2012 and 2013 as necessary to
16 support the costs of the regulatory program. The department's fee
17 schedule shall have differential rates for providers with proof of
18 accreditation from organizations that the department has determined to
19 have substantially equivalent standards to those of the department,
20 including but not limited to the joint commission on accreditation of
21 health care organizations, the commission on accreditation of
22 rehabilitation facilities, and the council on accreditation. To
23 reflect the reduced costs associated with regulation of accredited
24 programs, the department's fees for organizations with such proof of
25 accreditation must reflect the lower cost of licensing for these
26 programs than for other organizations which are not accredited.

27 (4) \$3,500,000 of the general fund--federal appropriation (from the
28 substance abuse prevention and treatment federal block grant) is
29 provided solely for the continued funding of existing county drug and
30 alcohol use prevention programs.

31 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
32 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

33	General Fund--State Appropriation (FY 2012)	\$10,852,000
34	General Fund--State Appropriation (FY 2013)	\$10,861,000
35	General Fund--Federal Appropriation	\$102,622,000
36	Telecommunications Devices for the Hearing and	
37	Speech Impaired--State Appropriation	\$2,766,000

1 TOTAL APPROPRIATION \$127,101,000

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

4 (1) The vocational rehabilitation program shall coordinate closely
5 with the economic services program to serve lifeline clients under
6 chapter 8, Laws of 2010 1st sp. sess. who are referred for eligibility
7 determination and vocational rehabilitation services, and shall make
8 every effort, within the requirements of the federal rehabilitation act
9 of 1973, to serve these clients.

10 (2) \$480,000 of the telecommunications devices for the hearing and
11 speech impaired account--state appropriation is provided solely for the
12 office of deaf and hard of hearing to contract for services that
13 provide employment support and help with life activities for deaf-blind
14 individuals in King county.

15 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
16 **SERVICES--SPECIAL COMMITMENT PROGRAM**

17 General Fund--State Appropriation (FY 2012) \$47,779,000
18 General Fund--State Appropriation (FY 2013) \$47,609,000
19 TOTAL APPROPRIATION \$95,388,000

20 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
21 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

22 General Fund--State Appropriation (FY 2012) \$25,698,000
23 General Fund--State Appropriation (FY 2013) \$23,960,000
24 General Fund--Federal Appropriation \$38,917,000
25 General Fund--Private/Local Appropriation \$2,116,000
26 Performance Audits of State Government--State
27 Appropriation \$4,812,000
28 TOTAL APPROPRIATION \$95,503,000

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

31 (1) \$300,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$300,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for the Washington state mentors
34 program to continue its public-private partnerships to provide
35 technical assistance and training to mentoring programs that serve
36 at-risk youth.

1 (2) \$445,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$445,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for funding of the teamchild
4 project.

5 (3) \$178,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$178,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for the juvenile detention
8 alternatives initiative.

9 (4) \$4,812,000 of the performance audits of state government--state
10 appropriation is provided solely for support and expansion of the
11 division of fraud investigation. The division shall conduct
12 investigatory and enforcement activities for all department programs,
13 including the child support and TANF programs.

14 (5) \$1,400,000 of the general fund--state appropriation for fiscal
15 year 2012 is provided solely for the department to distribute as
16 support to community public health and safety networks that have a
17 history of providing training and services related to adverse childhood
18 experiences. Distribution of these funds is contingent upon securing
19 funding from a private entity or entities to provide one dollar in
20 matching funds for each dollar in state funds received by a network so
21 that the funding received by a community public health and safety
22 network will be equal portions of state and private funding.

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

25	General Fund--State Appropriation (FY 2012)	\$66,410,000
26	General Fund--State Appropriation (FY 2013)	\$63,304,000
27	General Fund--Federal Appropriation	\$60,313,000
28	TOTAL APPROPRIATION	\$190,027,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: \$469,000 of the general fund--state
31 appropriation for fiscal year 2011 and \$270,000 of the general fund--
32 state appropriation for fiscal year 2012 are provided solely for
33 implementation of Engrossed Substitute Senate Bill No. 5921 (social
34 services programs). If the bill is not enacted by June 30, 2011, the
35 amounts provided in this subsection shall lapse.

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

2	General Fund--State Appropriation (FY 2012)	\$2,195,580,000
3	General Fund--State Appropriation (FY 2013)	\$2,263,679,000
4	General Fund--Federal Appropriation	\$5,608,085,000
5	General Fund--Private/Local Appropriation	\$60,277,000
6	Emergency Medical Services and Trauma Care Systems	
7	Trust Account--State Appropriation	\$15,077,000
8	Hospital Safety Net Assessment Fund--State	
9	Appropriation	\$404,438,000
10	State Health Care Authority Administration Account--	
11	State Appropriation	\$34,476,000
12	Medicaid Fraud Penalty Account--State Appropriation	\$17,039,000
13	Basic Health Plan Stabilization Account--	
14	State Appropriation	\$44,000,000
15	Medical Aid Account--State Appropriation	\$529,000
16	TOTAL APPROPRIATION	\$10,643,180,000

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

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

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

34 (3)(a) \$1,200,000 of the general fund--state appropriation for
35 fiscal year 2012 is provided solely to plan the implementation of a
36 system of consolidated public school employee health benefits
37 purchasing.

1 It is the intent of the legislature to improve the administration,
2 transparency, and equity in delivering a K-12 employees' health
3 benefits system. In addition, the legislature intends that any cost
4 savings that result from changes to K-12 health benefits be dedicated
5 to public schools.

6 To further this legislative intent, the state health care authority
7 shall develop a plan to implement a consolidated health benefits'
8 system for K-12 employees for the 2013-14 school year. The health care
9 authority shall deliver a report to the legislature by December 15,
10 2011, that sets forth the implementation plan to the ways and means
11 committees of the house of representatives and the senate.

12 (b) The report prepared by the health care authority shall compare
13 and contrast the costs and benefits, both long and short term, of:

14 (i) The current K-12 health benefits system;

15 (ii) A new K-12 employee benefits pool; and

16 (iii) Enrolling K-12 employees into the health benefits pool for
17 state employees.

18 (c) In addition to the implementation plan, the report shall
19 include the following information:

20 (i) The costs and benefits of the current K-12 health benefits
21 system;

22 (ii) The costs and benefits of providing a new statewide K-12
23 employees' health benefits pool to school districts and school
24 employees;

25 (iii) The costs and benefits of enrolling K-12 employees into the
26 existing health benefits pool for state employees;

27 (iv) Recommendations of ways to limit administrative duplication
28 and costs, improve transparency to employees, the legislature, and the
29 public and assure equity among beneficiaries of publicly provided
30 employee health benefits;

31 (v) Recommendations for standardizing benefit packages and
32 purchasing efforts in a manner that seeks to maximize funding and
33 equity for all school employees;

34 (vi) Recommendations regarding the use of incentives, including how
35 changes to state health benefit allocations could provide employees
36 with benefits that would encourage participation;

37 (vii) Recommendations regarding the implementation of a new K-12

1 employee benefit plan, with separate options for voluntary
2 participation and mandatory statewide participation;

3 (viii) Recommendations regarding methods to reduce inequities
4 between individual and family coverage;

5 (ix) Consolidation of the purchasing and budget accountability for
6 school employee benefits to maximize administrative efficiency and
7 leverage existing skills and resources; and

8 (x) Other details the health care authority deems necessary,
9 including but not limited to recommendations on the following:

10 (A) Approaches for implementing the transition to a statewide pool,
11 including administrative and statutory changes necessary to ensure a
12 successful transition, and whether the pool should be separate from, or
13 combined with, the public employees' benefits pool;

14 (B) The structure of a permanent governing group to provide ongoing
15 oversight to the consolidated pool, in a manner similar to the public
16 employees benefits board functions for employee health benefits,
17 including statutory duties and authorities of the board; and

18 (C) Options for including potential changes to: Eligibility
19 standardization, the public employees benefits risk pools, the movement
20 of school employee retirees into the new K-12 pool or pools, and the
21 movement of educational service district employees into the new K-12
22 pool or pools.

23 (d) In determining its costs and benefits of a new statewide K-12
24 employees' health benefits pool for school districts and school
25 employees, the health care authority shall assume the following:

26 (i) School district enrollees must constitute an entire bargaining
27 unit, or an entire group of nonrepresented employees;

28 (ii) Staffing and administration for benefits purchasing shall be
29 provided by the health care authority; and

30 (iii) The new K-12 pool would operate on a schedule that
31 coordinates with the financing and enrollment schedule used for school
32 districts.

33 (e) The office of the superintendent of public instruction and the
34 office of the insurance commissioner shall provide information and
35 technical assistance to the health care authority as requested by the
36 health care authority. The health care authority shall not implement
37 the new school employee benefits pool until authorized to do so by the
38 legislature.

1 (4) The administrator shall take at least the following actions to
2 assure that persons participating in the basic health plan are eligible
3 for the level of assistance they receive: (a) Require submission of
4 (i) income tax returns, and recent pay history, from all applicants, or
5 (ii) other verifiable evidence of earned and unearned income from those
6 persons not required to file income tax returns; (b) check employment
7 security payroll records at least once every twelve months on all
8 enrollees; (c) require enrollees whose income as indicated by payroll
9 records exceeds that upon which their subsidy is based to document
10 their current income as a condition of continued eligibility; (d)
11 require enrollees for whom employment security payroll records cannot
12 be obtained to document their current income at least once every six
13 months; (e) not reduce gross family income for self-employed persons by
14 noncash-flow expenses such as, but not limited to, depreciation,
15 amortization, and home office deductions, as defined by the United
16 States internal revenue service; and (f) pursue repayment and civil
17 penalties from persons who have received excessive subsidies, as
18 provided in RCW 70.47.060(9).

19 (5) Enrollment in the subsidized basic health plan shall be limited
20 to only include persons who qualify as subsidized enrollees as defined
21 in RCW 70.47.020 and who (a) qualify for services under 1115 medicaid
22 demonstration project number 11-W-00254/10; or (b) are foster parents
23 licensed under chapter 74.15 RCW.

24 (6) \$23,700,000 of the general fund--federal appropriation is
25 provided solely for planning and implementation of a health benefit
26 exchange under the federal patient protection and affordable care act.
27 Within the amounts provided in this subsection, funds used by the
28 authority for information technology projects are conditioned on the
29 authority satisfying the requirements of Engrossed Second Substitute
30 Senate Bill No. 5931 (central service agencies).

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

1 (8) In determining financial eligibility for medicaid-funded
2 services, the health care authority is authorized to disregard
3 recoveries by Holocaust survivors of insurance proceeds or other
4 assets, as defined in RCW 48.104.030.

5 (9) The legislature affirms that it is in the state's interest for
6 Harborview medical center to remain an economically viable component of
7 the state's health care system.

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

13 (11) \$4,261,000 of the general fund--state appropriation for fiscal
14 year 2012, \$4,261,000 of the general fund--state appropriation for
15 fiscal year 2013, and \$8,522,000 of the general fund--federal
16 appropriation are provided solely for low-income disproportionate share
17 hospital payments under RCW 74.09.730(1)(a).

18 (12) \$5,905,000 of the general fund--state appropriation for fiscal
19 year 2012, \$5,905,000 of the general fund--state appropriation for
20 fiscal year 2013, and \$11,810,000 of the general fund--federal
21 appropriation are provided solely for nonrural indigent assistance
22 disproportionate share hospital payments in accordance with RCW
23 74.09.730(1).

24 (13) \$665,000 of the general fund--state appropriation for fiscal
25 year 2012, \$665,000 of the general fund--state appropriation for fiscal
26 year 2013, and \$1,330,000 of the general fund--federal appropriation
27 are provided solely for small rural indigent assistance
28 disproportionate share hospital payments in accordance with RCW
29 74.09.730(1).

30 (14) \$6,000,000 of the general fund--federal appropriation is
31 provided solely for supplemental payments to nursing homes operated by
32 public hospital districts. The public hospital district shall be
33 responsible for providing the required nonfederal match for the
34 supplemental payment, and the payments shall not exceed the maximum
35 allowable under federal rules. It is the legislature's intent that the
36 payments shall be supplemental to and shall not in any way offset or
37 reduce the payments calculated and provided in accordance with part E
38 of chapter 74.46 RCW. It is the legislature's further intent that

1 costs otherwise allowable for rate-setting and settlement against
2 payments under chapter 74.46 RCW shall not be disallowed solely because
3 such costs have been paid by revenues retained by the nursing home from
4 these supplemental payments. The supplemental payments are subject to
5 retrospective interim and final cost settlements based on the nursing
6 homes' as-filed and final medicare cost reports. The timing of the
7 interim and final cost settlements shall be at the health care
8 authority's discretion. During either the interim cost settlement or
9 the final cost settlement, the health care authority shall recoup from
10 the public hospital districts the supplemental payments that exceed the
11 medicaid cost limit and/or the medicare upper payment limit. The
12 health care authority shall apply federal rules for identifying the
13 eligible incurred medicaid costs and the medicare upper payment limit.

14 (15) The health care authority shall continue the inpatient
15 hospital certified public expenditures program for the 2011-2013 fiscal
16 biennium. The program shall apply to all public hospitals, including
17 those owned or operated by the state, except those classified as
18 critical access hospitals or state psychiatric institutions. The
19 health care authority shall submit reports to the governor and
20 legislature by November 1, 2011, and by November 1, 2012, that evaluate
21 whether savings continue to exceed costs for this program. If the
22 certified public expenditures (CPE) program in its current form is no
23 longer cost-effective to maintain, the health care authority shall
24 submit a report to the governor and legislature detailing
25 cost-effective alternative uses of local, state, and federal resources
26 as a replacement for this program. During fiscal year 2012 and fiscal
27 year 2013, hospitals in the program shall be paid and shall retain one
28 hundred percent of the federal portion of the allowable hospital cost
29 for each medicaid inpatient fee-for-service claim payable by medical
30 assistance and one hundred percent of the federal portion of the
31 maximum disproportionate share hospital payment allowable under federal
32 regulations. Inpatient medicaid payments shall be established using an
33 allowable methodology that approximates the cost of claims submitted by
34 the hospitals. Payments made to each hospital in the program in each
35 fiscal year of the biennium shall be compared to a baseline amount.
36 The baseline amount will be determined by the total of (a) the
37 inpatient claim payment amounts that would have been paid during the
38 fiscal year had the hospital not been in the CPE program based on the

1 reimbursement rates developed, implemented, and consistent with
2 policies approved in the 2011-13 biennial operating appropriations act
3 and in effect on July 1, 2011, (b) one half of the indigent assistance
4 disproportionate share hospital payment amounts paid to and retained by
5 each hospital during fiscal year 2005, and (c) all of the other
6 disproportionate share hospital payment amounts paid to and retained by
7 each hospital during fiscal year 2005 to the extent the same
8 disproportionate share hospital programs exist in the 2011-13 biennium.
9 If payments during the fiscal year exceed the hospital's baseline
10 amount, no additional payments will be made to the hospital except the
11 federal portion of allowable disproportionate share hospital payments
12 for which the hospital can certify allowable match. If payments during
13 the fiscal year are less than the baseline amount, the hospital will be
14 paid a state grant equal to the difference between payments during the
15 fiscal year and the applicable baseline amount. Payment of the state
16 grant shall be made in the applicable fiscal year and distributed in
17 monthly payments. The grants will be recalculated and redistributed as
18 the baseline is updated during the fiscal year. The grant payments are
19 subject to an interim settlement within eleven months after the end of
20 the fiscal year. A final settlement shall be performed. To the extent
21 that either settlement determines that a hospital has received funds in
22 excess of what it would have received as described in this subsection,
23 the hospital must repay the excess amounts to the state when requested.
24 \$32,673,000 of the general fund--state appropriation for fiscal year
25 2012, of which \$6,570,000 is appropriated in section 204(1) of this
26 act, and \$29,693,000 of the general fund--state appropriation for
27 fiscal year 2013, of which \$6,570,000 is appropriated in section 204(1)
28 of this act, are provided solely for state grants for the participating
29 hospitals. CPE hospitals will receive the inpatient and outpatient
30 reimbursement rate restorations in RCW 74.60.080 and rate increases in
31 RCW 74.60.090 funded through the hospital safety net assessment fund
32 rather than through the baseline mechanism specified in this
33 subsection.

34 (16) The contract with the managed care plan to provide services
35 for disability lifeline clients shall be designed to incentivize care
36 in the most appropriate setting, including maximizing primary care-
37 based services and optimizing appropriate hospital utilization and
38 savings. The health care authority may include shared savings or other

1 risk sharing arrangements in the contract with the managed care plan in
2 order to incentivize aggressive management of hospital services,
3 including prior authorization, concurrent review, and discharge
4 planning. In determining the allocation of shared savings, the health
5 care authority shall consider the appropriate balance between
6 incentivizing aggressive management of hospital services by the managed
7 care plan and realizing budgetary savings from the state's investment
8 in the inclusion of care management and mental health services in the
9 managed care contract.

10 (17) The health care authority shall evaluate the impact of the use
11 of a managed care delivery and financing system on state costs and
12 outcomes for lifeline medical clients. Outcomes measured shall include
13 state costs, utilization, changes in mental health status and symptoms,
14 and involvement in the criminal justice system.

15 (18) The health care authority shall seek public-private
16 partnerships and federal funds that are or may become available to
17 provide on-going support for outreach and education efforts under the
18 federal children's health insurance program reauthorization act of
19 2009.

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

32 (20) For children with family incomes above 200 percent of the
33 federal poverty level in the state-funded children's health program for
34 children who are not eligible for coverage under the federally funded
35 children's health insurance program, premiums shall be set every two
36 years in an amount equal to the average state-only share of the per
37 capita cost of coverage in the state-funded children's health program

1 for children in families with incomes at or less than two hundred
2 percent of the federal poverty level.

3 (21) \$704,000 of the general fund--state appropriation for fiscal
4 year 2012, \$726,000 of the general fund--state appropriation for fiscal
5 year 2013, and \$1,431,000 of the general fund--federal appropriation
6 are provided solely for disproportionate share hospital payments to
7 hospitals that provide services to children in the children's health
8 program who are not eligible for services under Title XIX or XXI of the
9 federal social security act due to their citizenship status.

10 (22) \$998,000 of the general fund--state appropriation for fiscal
11 year 2012, \$979,000 of the general fund--state appropriation for fiscal
12 year 2013, and \$1,980,000 of the general fund--federal appropriation
13 are provided solely to increase prior authorization activities for
14 advanced imaging procedures.

15 (23) \$249,000 of the general fund--state appropriation for fiscal
16 year 2012, \$246,000 of the general fund--state appropriation for fiscal
17 year 2013, and \$495,000 of the general fund--federal appropriation are
18 provided solely to increase prior authorization activities for surgical
19 procedures, which may include orthopedic procedures, spinal procedures
20 and interventions, and nerve procedures.

21 (24) \$300,000 of the general fund--private/local appropriation and
22 \$300,000 of the general fund--federal appropriation are provided solely
23 for a prescriptive practices improvement collaborative focusing upon
24 atypical antipsychotics and other medications commonly used in the
25 treatment of severe and persistent mental illnesses among adults. The
26 project shall promote collaboration among community mental health
27 centers, other major prescribers of atypical antipsychotic medications
28 to adults enrolled in state medical assistance programs, and
29 psychiatrists, pharmacists, and other specialists at the University of
30 Washington department of psychiatry and/or other research universities.
31 The collaboration shall include patient-specific prescriber
32 consultations by psychiatrists and pharmacists specializing in
33 treatment of severe and persistent mental illnesses among adults;
34 production of profiles to assist prescribers and clinics in tracking
35 their prescriptive practices and their patients' medication use and
36 adherence relative to evidence-based practices guidelines, other
37 prescribers, and patients at other clinics; and in-service seminars at
38 which participants can share and increase their knowledge of evidence-

1 based and other effective prescriptive practices. The health care
2 authority shall enter into an interagency agreement with the office of
3 the attorney general for expenditure of \$300,000 of the state's
4 proceeds of the *cy pres* settlement in *State of Washington v.*
5 *AstraZeneca* (Seroquel) for this purpose.

6 (25) \$570,000 of the general fund--private/local appropriation is
7 provided solely for continued operation of the partnership access line
8 for child mental health consultations. The health care authority shall
9 enter into an interagency agreement with the office of the attorney
10 general for expenditure of \$570,000 of the state's proceeds of the *cy*
11 *pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for
12 this purpose.

13 (26) \$80,000 of the general fund--state appropriation for fiscal
14 year 2012, \$80,000 of the general fund--state appropriation for fiscal
15 year 2013, and \$160,000 of the general fund--federal appropriation are
16 provided solely to fund the Tacoma-Pierce county health department for
17 access and outreach activities to reduce infant mortality.

18 (27) \$75,000 of the general fund--state appropriation for fiscal
19 year 2012, \$75,000 of the general fund--state appropriation for fiscal
20 year 2013, and \$150,000 of the general fund--federal appropriation are
21 provided solely to assist with development and implementation of
22 evidence-based strategies regarding the appropriate, safe, and
23 effective role of C-section surgeries and early induced labor in births
24 and neonatal care. The strategies shall be identified and implemented
25 in consultation with clinical research specialists, physicians,
26 hospitals, advanced registered nurse practitioners, and organizations
27 concerned with maternal and child health.

28 (28) \$4,126,000 of the general fund--state appropriation for fiscal
29 year 2012, \$4,268,000 of the general fund--state appropriation for
30 fiscal year 2013, \$11,816,000 of the general fund--private/local
31 appropriation, and \$20,207,000 of the general fund--federal
32 appropriation are provided solely for continued provision of
33 school-based medical services by means of an intergovernmental transfer
34 arrangement. Under the arrangement, the state shall provide forty
35 percent and school districts sixty percent of the nonfederal matching
36 funds required for receipt of federal medicaid funding for the service.

37 (29) \$263,000 of the general fund--state appropriation for fiscal
38 year 2012, \$88,000 of the general fund--state appropriation for fiscal

1 year 2013, and \$351,000 of the general fund--federal appropriation are
2 provided solely for development and submission to the federal
3 government by October 1, 2011, of a demonstration project proposal as
4 provided in Substitute Senate Bill No. 5596 (medicaid demonstration
5 waiver).

6 (30) \$19,000 of the general fund--state appropriation for fiscal
7 year 2012, \$17,000 of the general fund--state appropriation for fiscal
8 year 2013, and \$34,000 of the general fund--federal appropriation are
9 provided solely to support a partnership among the department of social
10 and health services, the department of health, and agencies that
11 deliver medical care and behavioral health services in Cowlitz county.
12 The partnership shall identify and recommend strategies for resolving
13 regulatory, licensing, data management, reporting, and funding barriers
14 to more effective integration of primary medical and behavioral health
15 care services in the county.

16 (31) \$4,761,000 of the general fund--state appropriation for fiscal
17 year 2012, \$4,066,000 of the general fund--state appropriation for
18 fiscal year 2013, and \$10,902,000 of the general fund--federal
19 appropriation are provided solely for spoken-language interpreter
20 services. The authority shall develop and implement a new model for
21 delivery of such services no later than January 1, 2012. The model
22 shall include:

23 (a) Development by the authority in consultation with subject-area
24 experts of guidelines to assist medical practitioners identify the
25 circumstances under which it is appropriate to use telephonic or video-
26 remote interpreting;

27 (b) The requirement that the state contract with delivery
28 organizations, including foreign language agencies, who employ or
29 subcontract only with language access providers or interpreters working
30 in the state who are certified or authorized by the state. When a
31 state-certified or state-authorized in-state language access provider
32 or interpreter is not available, the delivery organization, including
33 foreign language agencies, may use a provider with other certifications
34 or qualifications deemed to meet state standards, including
35 interpreters in other states; and

36 (c) Provision of a secure, web-based tool that medical
37 practitioners will use to schedule appointments for interpreter

1 services and to identify the most appropriate, cost-effective method of
2 service delivery in accordance with the state guidelines.

3 Nothing in this subsection affects the ability of health care
4 providers to provide interpretive services through employed staff or
5 through telephone and video remote technologies when not reimbursed
6 directly by the department. The amounts in this subsection do not
7 include federal administrative funds provided to match nonstate
8 expenditures by local health jurisdictions and governmental hospitals.

9 (32) In its procurement of contractors for delivery of medical
10 managed care services for nondisabled, nonelderly persons, the medical
11 assistance program shall (a) place substantial emphasis upon price
12 competition in the selection of successful bidders; and (b) not require
13 delivery of any services that would increase the actuarial cost of
14 service beyond the levels included in current healthy options
15 contracts.

16 (33) \$1,430,000 of the general fund--state appropriation for fiscal
17 year 2012, \$1,430,000 of the general fund--state appropriation for
18 fiscal year 2013, and \$2,860,000 of the general fund--federal
19 appropriation are provided solely to pay federally-designated rural
20 health clinics their standard encounter rate for prenatal and
21 well-child visits, whether delivered under a managed care contract or
22 fee-for-service. In reconciling managed care enhancement payments for
23 calendar years 2009 and 2010, the department shall treat well-child and
24 prenatal care visits as encounters subject to the clinic's encounter
25 rate.

26 (34) The medical assistance program shall continue to purchase
27 power wheelchairs for all nursing home residents for whom they are
28 determined to be medically necessary, and shall not limit such
29 purchases to only those residents who are in school or employed.

30 (35) \$280,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$282,000 of the general fund--federal appropriation are
32 provided solely to increase utilization management of drugs and drug
33 classes for which there is evidence of over-utilization, off-label use,
34 excessive dosing, duplicative therapy, or opportunities to shift
35 utilization to less expensive, equally effective formulations.

36 (36) \$70,000 of the general fund--state appropriation for fiscal
37 year 2012, \$70,000 of the general fund--state appropriation for fiscal
38 year 2013, and \$140,000 of the general fund--federal appropriation are

1 provided solely to continue operation by a nonprofit organization of a
2 toll-free hotline that assists families to learn about and enroll in
3 the apple health for kids program.

4 (37) \$400,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$400,000 of the general fund--state appropriation for
6 fiscal year 2013 is provided solely for the local outreach, case
7 management, and coordination with dental providers needed to execute
8 the access to baby and child dentistry program, which provides dental
9 care to Medicaid eligible children up to age six.

10 (38) Payments to federally qualified health centers and rural
11 health clinics shall be made under an alternative payment methodology,
12 consistent with the requirements of 42 U.S.C. Sec. 1396a(bb).
13 Encounter rates for clinics whose rates were rebased in 2010 shall be
14 their allowed cost per visit during the cost report year, as determined
15 by the authority, inflated each calendar year by the cumulative
16 percentage increase in the medicare economic index since the cost
17 report year. Encounter rates for clinics that did not rebase in 2010
18 shall be their prospective payment system rate from 2001, or from a
19 subsequent year to the extent that the 2001 rate was updated to account
20 for addition of a new clinic or type of service, inflated by the
21 cumulative percentage increase in the global insight Washington health
22 care inflator through calendar year 2007, and by the cumulative
23 increase in the medicare economic index from 2007 through 2011 (for the
24 first six months of fiscal year 2012) and through 2012 (for that
25 calendar year). Effective January 2013, encounter rates for clinics
26 whose rates were not rebased in 2010 shall be their allowed cost per
27 visit during cost report year 2010, inflated forward by the cumulative
28 increase in the medicare economic index from that year to 2013.

29 (39) \$1,555,000 of the general fund--state appropriation for fiscal
30 year 2012, \$1,580,000 of the general fund--state appropriation for
31 fiscal year 2013, and \$2,171,000 of the general fund--federal
32 appropriation are provided solely to continue to provide dental
33 services to pregnant women. Services shall include preventive,
34 routine, and emergent dental care.

35 (40) \$395,000 of the general fund--state appropriation for fiscal
36 year 2012, \$395,000 of the general fund--state appropriation for fiscal
37 year 2013, and \$790,000 of the general fund--federal appropriation are

1 provided solely for continued operation of the dental education in care
2 of persons with disabilities (DECOD) program at the University of
3 Washington.

4 (41) \$112,000 of the general fund--state appropriation for fiscal
5 year 2012, \$112,000 of the general fund--state appropriation for fiscal
6 year 2013, and \$1,928,000 of the general fund--federal appropriation
7 are provided solely for the provider incentive program and other
8 initiatives related to the health information technology Medicaid plan.

9 (42) \$1,373,000 of the general fund--state appropriation for fiscal
10 year 2012, \$2,105,000 of the medicaid fraud penalty account--state
11 appropriation, and \$3,701,000 of the general fund--federal
12 appropriation are provided solely for efforts to reduce Medicaid fraud
13 and abuse and to seek coverage or recovery from other medical payers.

14 (43) \$2,926,000 of the general fund--local appropriation and
15 \$2,928,000 of the general fund--federal appropriation are provided
16 solely to support medical airlift services.

17 (44) The authority shall collect data on enrollment and utilization
18 to study whether the expansion of family planning coverage under
19 Substitute Senate Bill No. 5912 is reducing state medical expenditures
20 by reducing unwanted pregnancies. The authority shall report its
21 findings to the legislature by December 1, 2012.

22 (45) \$480,000 of the general fund--state appropriation for fiscal
23 year 2012, \$480,000 of the general fund--state appropriation for fiscal
24 year 2013, and \$824,000 of the general fund--federal appropriation are
25 provided solely for customer services staff. The authority will
26 attempt to improve the phone answer rate to 40 percent and reduce the
27 response times to written questions to ten days for clients and 25 days
28 for providers. The authority will report to the legislature on its
29 progress toward achieving these goals by January 1, 2012. If the
30 authority has not achieved these goals by July 1, 2012, then the
31 authority shall reduce expenditures on management staff in order to
32 increase expenditures on customer service staff until the goals are
33 achieved.

34 (46) The department shall purchase a brand name drug when it
35 determines that the cost of the brand name drug after rebates is less
36 than the cost of generic alternatives and that purchase of the brand
37 rather than generic version can save at least \$250,000. The department

1 may purchase generic alternatives when changes in market prices make
2 the price of the brand name drug after rebates more expensive than the
3 generic alternatives.

4 (47) The department shall contract with an organization that will
5 use Washington state pharmacists to provide medication therapy
6 management services to increase the use of lower cost alternative
7 medications, improve patient compliance with prescribed regimens,
8 reduce harmful side effects from medication, and ensure that
9 medications achieve their desired therapeutic results. The department
10 shall not contract for these services unless the contractor guarantees
11 that the services will generate savings, as measured by the
12 department's actual experience after implementation that are greater
13 than the cost of the contracted services.

14 (48) All not-for-profit hospitals that apply for disproportionate
15 share hospital payments in accordance with RCW 74.09.730(1) shall
16 submit a completed copy of federal internal revenue service schedule H
17 for the most recently completed year to the department. The department
18 shall report to the appropriate fiscal and policy committees of the
19 legislature by December 1, 2011, with an assessment of the extent to
20 which information on community benefit as reported on the schedule H
21 would provide a more consistent and accurate measure of hospital
22 charity care efforts than the measures presently used by the
23 department.

24 (49) The department shall collaborate closely with the Washington
25 state hospital and medical associations in identification of the
26 diagnostic codes and retroactive review procedures that will be used to
27 determine whether an emergency room visit is a nonemergency condition
28 to assure that conditions that require emergency treatment continue to
29 be covered.

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

31	General Fund--State Appropriation (FY 2012)	\$2,240,000
32	General Fund--State Appropriation (FY 2013)	\$2,242,000
33	General Fund--Federal Appropriation	\$1,903,000
34	TOTAL APPROPRIATION	\$6,385,000

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

1 **APPEALS**

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

3	Appropriation	\$10,000
4	Accident Account--State Appropriation	\$19,685,000
5	Medical Aid Account--State Appropriation	\$19,685,000
6	TOTAL APPROPRIATION	\$39,380,000

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

9 (1) \$36,000 of the accident account--state appropriation and
10 \$36,000 of the medical aid account--state appropriation are solely
11 provided for Engrossed Substitute Senate Bill No. 5068 (industrial
12 safety and health act). If the bill is not enacted by June 30, 2011,
13 the amounts provided in this subsection shall lapse.

14 (2) \$16,000 of the accident account--state appropriation and
15 \$16,000 of the medical aid account--state appropriation are solely
16 provided for Substitute Senate Bill No. 5801 (industrial insurance
17 system). If the bill is not enacted by June 30, 2011, the amounts
18 provided in this subsection shall lapse.

19 (3) \$1,893,000 of the accident account--state appropriation and
20 \$1,893,000 of the medical aid account--state appropriation are provided
21 solely for implementation of House Bill No. 2123 (workers'
22 compensation). If the bill is not enacted by June 30, 2011, the
23 amounts provided in this subsection shall lapse.

24 **NEW SECTION. Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING**
25 **COMMISSION**

26	General Fund--State Appropriation (FY 2012)	\$15,165,000
27	General Fund--State Appropriation (FY 2013)	\$15,140,000
28	General Fund--Federal Appropriation	\$456,000
29	General Fund--Private/Local Appropriation	\$4,048,000
30	Death Investigations Account--State Appropriation	\$148,000
31	Municipal Criminal Justice Assistance Account--	
32	State Appropriation	\$460,000
33	Washington Auto Theft Prevention Authority Account--	
34	State Appropriation	\$8,597,000
35	TOTAL APPROPRIATION	\$44,014,000

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

1 (1) \$5,000,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$5,000,000 of the general fund--state appropriation for
3 fiscal year 2013, are provided to the Washington association of
4 sheriffs and police chiefs solely to verify the address and residency
5 of registered sex offenders and kidnapping offenders under RCW
6 9A.44.130.

7 (2) \$321,000 of the general fund--local appropriation is provided
8 solely to purchase ammunition for the basic law enforcement academy.
9 Jurisdictions shall reimburse to the criminal justice training
10 commission the costs of ammunition, based on the average cost of
11 ammunition per cadet, for cadets that they enroll in the basic law
12 enforcement academy.

13 (3) The criminal justice training commission may not run a basic
14 law enforcement academy class of fewer than 30 students.

15 (4) \$100,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$100,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for a school safety program. The
18 commission, in collaboration with the school safety center advisory
19 committee, shall provide the school safety training for all school
20 administrators and school safety personnel hired after the effective
21 date of this section.

22 (5) \$96,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$90,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for the school safety center
25 within the commission. The safety center shall act as an information
26 dissemination and resource center when an incident occurs in a school
27 district in Washington or in another state, coordinate activities
28 relating to school safety, and review and approve manuals and curricula
29 used for school safety models and training. Through an interagency
30 agreement, the commission shall provide funding for the office of the
31 superintendent of public instruction to continue to develop and
32 maintain a school safety information web site. The school safety
33 center advisory committee shall develop and revise the training
34 program, using the best practices in school safety, for all school
35 safety personnel. The commission shall provide research-related
36 programs in school safety and security issues beneficial to both law
37 enforcement and schools.

1 (6) \$1,000,000 of the general fund--state appropriation for fiscal
 2 year 2012 and \$1,000,000 of the general fund--state appropriation for
 3 fiscal year 2013 are provided solely for grants to counties enforcing
 4 illegal drug laws and which have been underserved by federally funded
 5 state narcotics task forces. The Washington association of sheriffs
 6 and police chiefs, the Washington association of prosecuting attorneys,
 7 and the Washington association of county officials shall jointly
 8 develop funding allocations for the offices of the county sheriff,
 9 county prosecutor, and county clerk in qualifying counties. The
 10 commission shall not impose an administrative cost on this program.

11 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**
 12 **INDUSTRIES**

13	General Fund--State Appropriation (FY 2012)	\$18,605,000
14	General Fund--State Appropriation (FY 2013)	\$19,513,000
15	General Fund--Federal Appropriation	\$10,100,000
16	Asbestos Account--State Appropriation	\$395,000
17	Electrical License Account--State Appropriation	\$37,019,000
18	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
19	Worker and Community Right-to-Know Account--	
20	State Appropriation	\$949,000
21	Public Works Administration Account--State	
22	Appropriation	\$6,814,000
23	Manufactured Home Installation Training Account--	
24	State Appropriation	\$151,000
25	Accident Account--State Appropriation	\$252,689,000
26	Accident Account--Federal Appropriation	\$13,622,000
27	Medical Aid Account--State Appropriation	\$264,070,000
28	Medical Aid Account--Federal Appropriation	\$3,186,000
29	Plumbing Certificate Account--State Appropriation	\$1,688,000
30	Pressure Systems Safety Account--State Appropriation	\$4,068,000
31	TOTAL APPROPRIATION	\$632,897,000

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

34 (1) Pursuant to RCW 43.135.055, the department is authorized to
 35 increase fees related to factory assembled structures, contractor
 36 registration, electricians, plumbers, asbestos removal, boilers,
 37 elevators, and manufactured home installers. These increases are

1 necessary to support expenditures authorized in this section,
2 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW
3 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

4 (2) \$50,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$50,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the crime victims compensation
7 program to pay claims for mental health services for crime victim
8 compensation program clients who have an established relationship with
9 a mental health provider and subsequently obtain coverage under the
10 medicaid program or the medical care services program under chapter
11 74.09 RCW. Prior to making such payment, the program must have
12 determined that payment for the specific treatment or provider is not
13 available under the medicaid or medical care services program. In
14 addition, the program shall make efforts to contact any healthy options
15 or medical care services health plan in which the client may be
16 enrolled to help the client obtain authorization to pay the claim on an
17 out-of-network basis.

18 (3) \$34,000 of the general fund--state appropriation for fiscal
19 year 2012 is provided solely for implementation of Engrossed Second
20 Substitute House Bill No. 1701 (contractor misclassification). If the
21 bill is not enacted by June 30, 2011, the amount provided in this
22 subsection shall lapse.

23 (4) \$1,281,000 of the accident account--state appropriation and
24 \$1,281,000 of the medical aid account--state appropriation are provided
25 solely for implementation of Engrossed Substitute House Bill No. 1725
26 (workers' compensation). If the bill is not enacted by June 30, 2011,
27 the amounts provided in this subsection shall lapse.

28 (5) \$51,000 of the accident account--state appropriation and
29 \$51,000 of the medical aid account--state appropriation are provided
30 solely for implementation of Engrossed Substitute House Bill No. 1367
31 (for hire vehicles, operators). If the bill is not enacted by June 30,
32 2011, the amounts provided in this subsection shall lapse.

33 (6) \$8,727,000 of the medical aid account--state appropriation is
34 provided solely for implementation of Substitute Senate Bill No. 5801
35 (industrial insurance system). If the bill is not enacted by June 30,
36 2011, the amount provided in this subsection shall lapse.

37 (7) \$625,000 of the general fund--state appropriation for fiscal
38 year 2012, \$625,000 of the general fund--state appropriation for fiscal

1 year 2013, \$1,250,000 of the public works administration account--state
 2 appropriation, \$708,000 of the accident account--state appropriation,
 3 and \$708,000 of the medical aid account--state appropriation are
 4 provided solely for the purposes of expanding the detecting
 5 unregistered employers targeting system and to support field staff in
 6 investigation and enforcement. Within the funds appropriated in this
 7 subsection, the department shall aggressively combat the underground
 8 economy in construction. Of the amounts provided in this subsection,
 9 \$800,000 shall be used for investigation and enforcement.

10 (8) \$8,583,000 of the accident account--state appropriation and
 11 \$18,278,000 of the medical aid account--state appropriation are
 12 provided solely for implementation of House Bill No. 2123 (workers'
 13 compensation). If the bill is not enacted by June 30, 2011, the
 14 amounts provided in this subsection shall lapse.

15 NEW SECTION. **Sec. 218. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

16 (1) HEADQUARTERS

17	General Fund--State Appropriation (FY 2012)	\$1,832,000
18	General Fund--State Appropriation (FY 2013)	\$1,826,000
19	Charitable, Educational, Penal, and Reformatory	
20	Institutions Account--State Appropriation	\$10,000
21	TOTAL APPROPRIATION	\$3,668,000

22 (2) FIELD SERVICES

23	General Fund--State Appropriation (FY 2012)	\$5,006,000
24	General Fund--State Appropriation (FY 2013)	\$5,001,000
25	General Fund--Federal Appropriation	\$2,704,000
26	General Fund--Private/Local Appropriation	\$4,161,000
27	Veterans Innovations Program Account--State	
28	Appropriation	\$812,000
29	Veteran Estate Management Account--Private/Local	
30	Appropriation	\$1,083,000
31	TOTAL APPROPRIATION	\$18,767,000

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

34 (a) The department shall collaborate with the department of social
 35 and health services to identify and assist eligible general assistance
 36 unemployable clients to access the federal department of veterans
 37 affairs benefits.

1 (b) \$821,000 of the veterans innovations program account--state
2 appropriation is provided solely for the department to continue support
3 for returning combat veterans through the veterans innovation program,
4 including emergency financial assistance through the defenders' fund
5 and long-term financial assistance through the competitive grant
6 program.

7 (3) INSTITUTIONAL SERVICES

8	General Fund--State Appropriation (FY 2012)	\$1,693,000
9	General Fund--State Appropriation (FY 2013)	\$903,000
10	General Fund--Federal Appropriation	\$56,141,000
11	General Fund--Private/Local Appropriation	\$33,630,000
12	TOTAL APPROPRIATION	\$92,367,000

13 NEW SECTION. **Sec. 219. FOR THE DEPARTMENT OF HEALTH**

14	General Fund--State Appropriation (FY 2012)	\$80,370,000
15	General Fund--State Appropriation (FY 2013)	\$80,177,000
16	General Fund--Federal Appropriation	\$533,065,000
17	General Fund--Private/Local Appropriation	\$148,386,000
18	Hospital Data Collection Account--State Appropriation	\$214,000
19	Health Professions Account--State Appropriation	\$94,505,000
20	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
21	Emergency Medical Services and Trauma Care Systems	
22	Trust Account--State Appropriation	\$12,302,000
23	Safe Drinking Water Account--State Appropriation	\$4,480,000
24	Drinking Water Assistance Account--Federal	
25	Appropriation	\$22,884,000
26	Waterworks Operator Certification--State	
27	Appropriation	\$1,532,000
28	Drinking Water Assistance Administrative Account--	
29	State Appropriation	\$326,000
30	Site Closure Account--State Appropriation	\$349,000
31	Biotoxin Account--State Appropriation	\$1,167,000
32	State Toxics Control Account--State Appropriation	\$3,649,000
33	Medical Test Site Licensure Account--State	
34	Appropriation	\$2,321,000
35	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
36	Community and Economic Development Fee Account--State	
37	Appropriation	\$596,000

1	Public Health Supplemental Account--Private/Local	
2	Appropriation	\$3,598,000
3	Accident Account--State Appropriation	\$297,000
4	Medical Aid Account--State Appropriation	\$50,000
5	Tobacco Prevention and Control Account--State	
6	Appropriation	\$4,037,000
7	TOTAL APPROPRIATION	\$996,421,000

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

10 (1) The department of health shall not initiate any services that
11 will require expenditure of state general fund moneys unless expressly
12 authorized in this act or other law. The department of health and the
13 state board of health shall not implement any new or amended rules
14 pertaining to primary and secondary school facilities until the rules
15 and a final cost estimate have been presented to the legislature, and
16 the legislature has formally funded implementation of the rules through
17 the omnibus appropriations act or by statute. The department may seek,
18 receive, and spend, under RCW 43.79.260 through 43.79.282, federal
19 moneys not anticipated in this act as long as the federal funding does
20 not require expenditure of state moneys for the program in excess of
21 amounts anticipated in this act. If the department receives
22 unanticipated unrestricted federal moneys, those moneys shall be spent
23 for services authorized in this act or in any other legislation that
24 provides appropriation authority, and an equal amount of appropriated
25 state moneys shall lapse. Upon the lapsing of any moneys under this
26 subsection, the office of financial management shall notify the
27 legislative fiscal committees. As used in this subsection,
28 "unrestricted federal moneys" includes block grants and other funds
29 that federal law does not require to be spent on specifically defined
30 projects or matched on a formula basis by state funds.

31 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
32 is authorized to establish and raise fees in fiscal year 2012 as
33 necessary to meet the actual costs of conducting business and the
34 appropriation levels in this section. This authorization applies to
35 fees required for: The review of health care facility construction;
36 review of health facility requests for certificate of need; the
37 regulation and inspection of farm worker housing, hospital licensing,
38 in-home health service agencies, and producers of radioactive waste;

1 the regulation and inspection of shellfish sanitary control, surgical
2 facility licensing, and; fees associated with the following
3 professions: Dieticians and nutritionists, occupational therapists,
4 pharmacy, veterinarian, orthotics and prosthetics, surgical
5 technicians, nursing home administrators, health care assistants,
6 hearing and speech, psychology, hypnotherapy, chiropractic, social
7 workers, physicians, and physician assistants.

8 (3) \$1,969,000 of the health professions account--state
9 appropriation is provided solely to implement online licensing for
10 health care providers. The department must submit a detailed
11 investment plan for this project to the office of financial management.
12 The office of financial management must review and approve this plan
13 before funding may be expended. The department of health must
14 successfully implement online application and renewal for at least one
15 profession as a pilot project before pursuing additional professions.
16 The department must report to the office of financial management on the
17 outcome of the pilot project.

18 (4) \$16,000 of the health professions account--state appropriation
19 is provided solely for the implementation of House Bill No. 1181 (board
20 of naturopathy). If the bill is not enacted by June 30, 2011, the
21 amount provided in this subsection shall lapse.

22 (5) \$21,000 of the health professions account--state appropriation
23 is provided solely for the implementation of Substitute House Bill No.
24 1304 (health care assistants). If the bill is not enacted by June 30,
25 2011, the amount provided in this subsection shall lapse.

26 (6) \$54,000 of the health professions account--state appropriation
27 is provided solely for the implementation of House Bill No. 1353
28 (pharmacy technicians). If the bill is not enacted by June 30, 2011,
29 the amount provided in this subsection shall lapse.

30 (7) \$142,000 of the health professions account--state appropriation
31 is provided solely for the implementation of Engrossed Substitute
32 Senate Bill No. 5020 (social workers). If the bill is not enacted by
33 June 30, 2011, the amount provided in this subsection shall lapse.

34 (8) \$336,000 of the health professions account--state appropriation
35 is provided solely for the implementation of Senate Bill No. 5480
36 (physicians and physician assistants). If the bill is not enacted by
37 June 30, 2011, the amount provided in this subsection shall lapse.

1 (9) \$46,000 of the health professions account--state appropriation
2 is provided solely for the implementation of Substitute Senate Bill No.
3 5071 (online access for midwives and marriage and family therapists).
4 If the bill is not enacted by June 30, 2011, the amount provided in
5 this subsection shall lapse.

6 (10) \$137,000 of the health professions account--state
7 appropriation is provided solely for implementation of Substitute House
8 Bill No. 1133 (massage practitioner license). If the bill is not
9 enacted by June 30, 2011, the amount provided in this subsection shall
10 lapse.

11 (11) \$1,670,000 of the safe drinking water account--state
12 appropriation is provided solely for implementation of Substitute House
13 Bill No. 1468 (public water system permits). If the bill is not
14 enacted by June 30, 2011, the amount provided in this subsection shall
15 lapse.

16 (12) \$85,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$85,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely for the developmental disabilities
19 council to contract for a family-to-family mentor program to provide
20 information and support to families and guardians of persons who are
21 transitioning out of residential habilitation centers. To the maximum
22 extent allowable under federal law, these funds shall be matched under
23 medicaid through the department of social and health services and
24 federal funds shall be transferred to the department for the purposes
25 stated in this subsection. If Second Substitute Senate Bill No. 5459
26 (people with developmental disabilities) is not enacted by June 30,
27 2011, the amounts provided in this subsection shall lapse.

28 (13) \$57,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$58,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for the midwifery licensure and
31 regulatory program to offset a reduction in revenue from fees. There
32 shall be no change to the current annual fees for new or renewed
33 licenses for the midwifery program, except from online access to HEAL-
34 WA. The department shall convene the midwifery advisory committee on
35 a quarterly basis to address issues related to licensed midwifery.

36 (14) The department shall coordinate the collection of data among
37 identified state agencies and, by November 15, 2011, provide a report
38 to the legislature regarding food procurement costs to inform state

1 food purchasing decisions. The data shall include food procurement
2 costs for fiscal year 2011: For the department of health on behalf of
3 its employees and stakeholders; for the department of corrections and
4 the department of social and health services regarding meals and other
5 food served to both residential and nonresidential clients; and for the
6 department of services for the blind for vending machine services and
7 on-site food and beverage vending services.

8 (15) \$118,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$118,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for prevention of youth suicides.

11 (16) \$87,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$87,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for the senior falls prevention
14 program.

15 (17) \$4,000,000 of the tobacco prevention and control account--
16 state appropriation is provided solely for tobacco use prevention and
17 treatment. The department's prevention and treatment program shall
18 include efforts that target those most at risk of engaging in tobacco
19 usage, including contracts with community programs to reach underserved
20 and hard to reach populations with smoking rates higher than the state
21 average. If Substitute Senate Bill No. 5542 (cigar
22 lounges/tobacconists) is not enacted by June 30, 2011, the amount
23 provided in this subsection shall lapse.

24 **NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF CORRECTIONS**

25 (1) ADMINISTRATION AND SUPPORT SERVICES

26	General Fund--State Appropriation (FY 2012)	\$54,895,000
27	General Fund--State Appropriation (FY 2013)	\$54,044,000
28	TOTAL APPROPRIATION	\$108,939,000

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

31 (a) \$35,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$35,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for the support of a statewide
34 council on mentally ill offenders that includes as its members
35 representatives of community-based mental health treatment programs,
36 current or former judicial officers, and directors and commanders of
37 city and county jails and state prison facilities. The council will

1 investigate and promote cost-effective approaches to meeting the
2 long-term needs of adults and juveniles with mental disorders who have
3 a history of offending or who are at-risk of offending, including their
4 mental health, physiological, housing, employment, and job training
5 needs.

6 (b) By October 1, 2011, the department shall compile and submit to
7 the department of health data regarding food procurement costs for
8 fiscal year 2011 regarding meals and other food for both residential
9 and nonresidential clients, including the percentage of food purchased
10 from Washington sources. The data shall be reported by setting and
11 population, including costs per client, and be accompanied by the
12 department's current food purchasing policies and standards.

13 (2) CORRECTIONAL OPERATIONS

14	General Fund--State Appropriation (FY 2012)	\$612,803,000
15	General Fund--State Appropriation (FY 2013)	\$577,647,000
16	General Fund--Federal Appropriation	\$3,398,000
17	General Fund--Private/Local Appropriation	\$2,336,000
18	Washington Auto Theft Prevention Authority Account--	
19	State Appropriation . . . . .	.\$14,079,000
20	TOTAL APPROPRIATION	\$1,210,263,000

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

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

28 (b) During the 2011-13 biennium, when contracts are established or
29 renewed for offender pay phone and other telephone services provided to
30 inmates, the department shall select the contractor or contractors
31 primarily based on the following factors: (i) The lowest rate charged
32 to both the inmate and the person paying for the telephone call; and
33 (ii) the lowest commission rates paid to the department, while
34 providing reasonable compensation to cover the costs of the department
35 to provide the telephone services to inmates and provide sufficient
36 revenues for the activities funded from the institutional welfare
37 betterment account.

1 (c) The Harborview medical center and the University of Washington
2 medical center shall provide inpatient and outpatient hospital services
3 to offenders confined in department of corrections facilities at a rate
4 no greater than the average rate that the department has negotiated
5 with other community hospitals in Washington state.

6 (d) \$102,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$102,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely to implement House Bill No. 1290
9 (health care employee overtime). If the bill is not enacted by June
10 30, 2011, the amounts provided in this subsection shall lapse.

11 (e) \$32,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$33,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely to implement Substitute House Bill
14 No. 1718 (offenders with developmental disabilities). If the bill is
15 not enacted by June 30, 2011, the amounts provided in this subsection
16 shall lapse.

17 (f) The department of corrections shall contract with local and
18 tribal governments for the provision of jail capacity to house
19 offenders. A contract shall not have a cost of incarceration in excess
20 of \$85 per day per offender. A contract shall not have a year-to-year
21 increase in excess of three percent per year. The contracts may
22 include rates for the medical care of offenders which exceed the daily
23 cost of incarceration and the limitation on year-to-year increase,
24 provided that medical payments conform to the department's offender
25 health plan, pharmacy formulary, and all off-site medical expenses are
26 preapproved by department utilization management staff.

27 (3) COMMUNITY SUPERVISION

28	General Fund--State Appropriation (FY 2012)	\$128,403,000
29	General Fund--State Appropriation (FY 2013)	\$124,709,000
30	TOTAL APPROPRIATION	\$253,112,000

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

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

1 (b) \$875,000 of the general fund--state appropriation for fiscal
2 year 2012 is provided solely to implement Engrossed Substitute House
3 Bill No. 5891 (criminal justice cost savings). If the bill is not
4 enacted by June 30, 2011, the amount provided in this subsection shall
5 lapse.

6 (4) CORRECTIONAL INDUSTRIES

7	General Fund--State Appropriation (FY 2012)	\$3,598,000
8	General Fund--State Appropriation (FY 2013)	\$3,589,000
9	TOTAL APPROPRIATION	\$7,187,000

10 The appropriations in this subsection are subject to the following
11 conditions and limitations: \$132,000 of the general fund--state
12 appropriation for fiscal year 2012 and \$132,000 of the general
13 fund--state appropriation for fiscal year 2013 are provided solely for
14 transfer to the jail industries board. The board shall use the amounts
15 provided only for administrative expenses, equipment purchases, and
16 technical assistance associated with advising cities and counties in
17 developing, promoting, and implementing consistent, safe, and efficient
18 offender work programs.

19 (5) INTERAGENCY PAYMENTS

20	General Fund--State Appropriation (FY 2012)	\$39,765,000
21	General Fund--State Appropriation (FY 2013)	\$36,035,000
22	TOTAL APPROPRIATION	\$75,800,000

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

25 (a) The state prison institutions may use funds appropriated in
26 this subsection to rent uniforms from correctional industries in
27 accordance with existing legislative mandates.

28 (b) The state prison medical facilities may use funds appropriated
29 in this subsection to purchase goods and supplies through hospital or
30 other group purchasing organizations when it is cost effective to do
31 so.

32 (c) The department shall reduce payments to the department of
33 information services or its successor by \$213,000 in fiscal year 2012
34 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall
35 be related to the elimination of the offender base tracking system,
36 including moving remaining portions of the offender base tracking
37 system into the offender management network information system.

1 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**

2 **BLIND**

3	General Fund--State Appropriation (FY 2012)	\$2,278,000
4	General Fund--State Appropriation (FY 2013)	\$2,264,000
5	General Fund--Federal Appropriation	\$19,082,000
6	General Fund--Private/Local Appropriation	\$30,000
7	TOTAL APPROPRIATION	\$23,654,000

8 The appropriations in this subsection are subject to the following
9 conditions and limitations: By October 1, 2011, the department shall
10 compile and submit to the department of health data regarding food
11 procurement costs for fiscal year 2011 regarding vending machine
12 services and on-site food and beverage vending services. The data
13 shall be reported by location and type and be accompanied by the
14 department's food purchasing policies and standards.

15 NEW SECTION. **Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

16	General Fund--State Appropriation (FY 2012)	\$43,000
17	General Fund--State Appropriation (FY 2013)	\$26,000
18	General Fund--Federal Appropriation	\$267,328,000
19	General Fund--Private/Local Appropriation	\$33,937,000
20	Unemployment Compensation Administration Account--	
21	Federal Appropriation	\$359,598,000
22	Administrative Contingency Account--State Appropriation . .	\$20,429,000
23	Employment Service Administrative Account--State	
24	Appropriation	\$33,738,000
25	TOTAL APPROPRIATION	\$715,099,000

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

28 (1) \$39,666,000 of the unemployment compensation administration
29 account--federal appropriation is from amounts made available to the
30 state by section 903 (d), (f), and (g) of the social security act (Reed
31 act). This amount is provided solely for continuing current
32 unemployment insurance functions and department services to employers
33 and job seekers.

34 (2) \$35,584,000 of the unemployment compensation administration
35 account--federal appropriation is from amounts made available to the
36 state by section 903 (d), (f), and (g) of the social security act (Reed
37 act). This amount is provided solely for the replacement of the

1 unemployment insurance tax information system for the employment
2 security department. The employment security department shall support
3 the department of revenue and department of labor and industries to
4 develop a common vision to ensure technological compatibility between
5 the three agencies to facilitate a coordinated business tax system for
6 the future that improves services to business customers. The amounts
7 provided in this subsection are conditioned on the department
8 satisfying the requirements of the project management oversight
9 standards and policies established by the office of the chief
10 information officer created in Engrossed Substitute Senate Bill No.
11 5931 (information technology management).

12 (3) \$25,000 of the unemployment compensation administration
13 account--federal appropriation is from amounts made available to the
14 state by section 903 (d), (f), and (g) of the social security act (Reed
15 act). This amount is provided solely for implementation of system
16 changes to the unemployment insurance tax information system required
17 under chapter 4, Laws of 2011 (unemployment insurance program).

18 (4) \$1,459,000 of the unemployment compensation administration
19 account--federal appropriation is from amounts available to the state
20 by section 903 (d), (f), and (g) of the social security act (Reed act).
21 This amount is provided solely for implementation of chapter 4, Laws of
22 2011 (unemployment insurance program).

23 (5) \$60,000 of the unemployment compensation administration
24 account--federal appropriation is provided solely for costs associated
25 with the initial review and evaluation of the training benefits program
26 as directed in section 15(2), chapter 4, Laws of 2011 (unemployment
27 insurance program). The initial review shall be developed by the joint
28 legislative audit and review committee. This appropriation is provided
29 from funds made available to the state by section 903 (d), (f), and (g)
30 of the social security act (Reed act).

(End of part)

PART III
NATURAL RESOURCES

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

General Fund--State Appropriation (FY 2012)	\$364,000
General Fund--Federal Appropriation	\$16,000
General Fund--Private/Local Appropriation	\$386,000
TOTAL APPROPRIATION	\$766,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for fiscal year 2012. Appropriations for fiscal year 2013 are contained in section 302 of this act.

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

General Fund--State Appropriation (FY 2012)	\$49,002,000
General Fund--State Appropriation (FY 2013)	\$47,789,000
General Fund--Federal Appropriation	\$77,467,000
General Fund--Private/Local Appropriation	\$17,005,000
Special Grass Seed Burning Research Account--State Appropriation	\$3,000
Reclamation Revolving Account--State Appropriation	\$3,642,000
Flood Control Assistance Account--State Appropriation	\$1,940,000
State Emergency Water Projects Revolving Account--State Appropriation	\$270,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$11,475,000
State Drought Preparedness Account--State Appropriation	\$118,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$423,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$509,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$354,000
Wood Stove Education and Enforcement Account--State Appropriation	\$612,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,668,000

1	Water Rights Processing Account--State Appropriation	\$136,000
2	State Toxics Control Account--State Appropriation	\$112,512,000
3	State Toxics Control Account--Private/Local	
4	Appropriation	\$968,000
5	Local Toxics Control Account--State Appropriation	\$27,384,000
6	Water Quality Permit Account--State Appropriation	\$37,730,000
7	Underground Storage Tank Account--State Appropriation	\$3,251,000
8	Biosolids Permit Account--State Appropriation	\$1,805,000
9	Hazardous Waste Assistance Account--State Appropriation	\$5,854,000
10	Air Pollution Control Account--State Appropriation	\$2,468,000
11	Oil Spill Prevention Account--State Appropriation	\$5,563,000
12	Air Operating Permit Account--State Appropriation	\$2,744,000
13	Freshwater Aquatic Weeds Account--State Appropriation	\$1,700,000
14	Oil Spill Response Account--State Appropriation	\$7,076,000
15	Metals Mining Account--State Appropriation	\$14,000
16	Pollution Liability Insurance Account--State	
17	Appropriation	\$333,000
18	Water Pollution Control Revolving Account--State	
19	Appropriation	\$611,000
20	Water Pollution Control Revolving Account--Federal	
21	Appropriation	\$2,517,000
22	TOTAL APPROPRIATION	\$424,989,000

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

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

30 (2) Pursuant to RCW 43.135.055, the department is authorized to
31 increase the following fees as necessary to meet the actual costs of
32 conducting business and the appropriation levels in this section:
33 Wastewater discharge permit, not more than 4.34 percent in fiscal year
34 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not
35 more than 10 percent during the biennium; and air contaminate source
36 registration fee, not more than 36 percent during the biennium; and dam
37 safety and inspection fees, not more than 35 percent in fiscal year
38 2012 and 4.62 percent in fiscal year 2013.

1 (3) If Substitute House Bill No. 1294 (Puget Sound corps) is not
2 enacted by June 30, 2011, \$322,000 of the general fund--state
3 appropriation for fiscal year 2012 and \$322,000 of the general fund--
4 state appropriation for fiscal year 2013 shall be transferred to the
5 department of natural resources.

6 (4) \$463,000 of the state toxics control account--state
7 appropriation is provided solely for implementation of Engrossed Second
8 Substitute House Bill No. 1186 (state's oil spill program). If the
9 bill is not enacted by June 30, 2011, the amount provided in this
10 subsection shall lapse.

11 (5) The department may not spend waste reduction, recycling, and
12 litter control account funds to support the following activities: The
13 beyond waste plan, work on national solid waste recycling issues, work
14 on construction and demolition recycling and green building
15 alternatives, education programs including the green schools
16 initiative, and management of the 1-800-recycle hotline and database on
17 school awards. Waste reduction, recycling, and litter account control
18 funds must be prioritized to support litter pickup using correctional
19 crews, regulatory programs, and technical assistance to local
20 governments.

21 (6) The department shall make every possible effort through its
22 existing statutory authorities to obtain federal funding for public
23 participation grants regarding the Hanford nuclear reservation and
24 associated properties and facilities. Such federal funding shall not
25 limit the total state funding authorized under this section for public
26 participation grants made pursuant to RCW 70.105D.070(5), but the
27 amount of any individual grant from such federal funding shall be
28 offset against any grant award amount to an individual grantee from
29 state funds under RCW 70.105D.070(5).

30 (7) The department shall review its water rights application review
31 procedures to simplify the procedures, eliminate unnecessary steps, and
32 decrease the time required to issue decisions. The department shall
33 implement changes to improve water rights processing for which it has
34 current administrative authority. The department shall report on
35 reforms implemented and efficiencies achieved as demonstrated through
36 enhanced permit processing to the appropriate committees of the
37 legislature on December 1, 2011, and October 1, 2012.

1 (a) The department shall consult with key stakeholders on statutory
2 barriers to efficient water rights processing and effective water
3 management, including identification of obsolete, confusing, or
4 conflicting statutory provisions. The department shall report
5 stakeholder recommendations to appropriate committees of the
6 legislature by December 1, 2011, and October 1, 2012.

7 (b) \$500,000 of the general fund--state appropriation for fiscal
8 year 2013 is provided solely for processing water right permit
9 applications only if the department of ecology issues at least five
10 hundred water right decisions in fiscal year 2012, and if the
11 department of ecology does not issue at least five hundred water right
12 decisions in fiscal year 2012 the amount provided in this subsection
13 shall lapse and remain unexpended. The department of ecology shall
14 submit a report to the office of financial management and the state
15 treasurer by June 30, 2012, that documents whether five hundred water
16 right decisions were issued in fiscal year 2012.

17 (c) The department shall maintain an ongoing accounting of water
18 right applications received and acted on and shall post that
19 information to the department's internet site.

20 (8) Appropriations for fiscal year 2013 are included for
21 consolidation of the Columbia river gorge commission and the pollution
22 liability insurance agency into the department of ecology.

23 (9) Appropriations for fiscal year 2013 are included for
24 consolidation of the department of health's reclaimed water program
25 into the department of ecology.

26 (10) The appropriations in this section for the low-level
27 radioactive waste site use permit program are for fiscal year 2012.
28 Appropriations for fiscal year 2013 are contained in section 221 of
29 this act.

30 (11) \$1,075,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$1,075,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for processing the backlog of
33 pending water rights permit applications in the water resources
34 program.

35 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
36 **COMMISSION**

37 General Fund--State Appropriation (FY 2012) \$8,955,000

1	General Fund--State Appropriation (FY 2013)	\$8,379,000
2	General Fund--Federal Appropriation	\$5,905,000
3	Winter Recreation Program Account--State Appropriation . . .	\$1,761,000
4	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$224,000
5	Snowmobile Account--State Appropriation	\$4,848,000
6	Aquatic Lands Enhancement Account--State Appropriation	\$363,000
7	Parks Renewal and Stewardship Account--State	
8	Appropriation	\$115,779,000
9	Parks Renewal and Stewardship Account--Private/Local	
10	Appropriation	\$300,000
11	TOTAL APPROPRIATION	\$146,514,000

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

14 (1) \$8,876,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$8,300,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely to operate and maintain state
17 parks as the commission implements a new fee structure. The goal of
18 this structure is to make the parks system self-supporting. By August
19 1, 2012, state parks must submit a report to the office of financial
20 management detailing its progress toward this goal and outlining any
21 additional statutory changes needed for successful implementation.

22 (2) \$79,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$79,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for a grant for the operation of
25 the Northwest avalanche center.

26 (3) \$53,928,000 of the parks renewal and stewardship account--state
27 appropriation is provided solely for implementation of Second
28 Substitute Senate Bill No. 5622 (state land recreation access). If the
29 bill is not enacted by June 30, 2011, the amount provided in this
30 subsection shall lapse.

31 (4) During the 2011-2013 fiscal biennium, the commission shall not
32 expend state moneys to purchase or acquire lands other than those
33 called for in Senate Bill No. 5467 or House Bill No. 1497.

34 (5) Prior to closing any state park, the commission must notify all
35 affected local governments and relevant nonprofit organizations of the
36 intended closure and provide an opportunity for the notified local
37 governments and nonprofit organizations to elect to acquire, or enter

1 into, a maintenance and operating contract with the commission that
2 would allow the park to remain open.

3 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**
4 **FUNDING BOARD**

5	General Fund--State Appropriation (FY 2012)	\$953,000
6	General Fund--State Appropriation (FY 2013)	\$972,000
7	General Fund--Federal Appropriation	\$3,299,000
8	General Fund--Private/Local Appropriation	\$274,000
9	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
10	Vessel Response Account--State Appropriation	\$100,000
11	Firearms Range Account--State Appropriation	\$37,000
12	Recreation Resources Account--State Appropriation	\$2,874,000
13	NOVA Program Account--State Appropriation	\$900,000
14	TOTAL APPROPRIATION	\$9,687,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: \$40,000 of the general fund--federal
17 appropriation, \$24,000 of the general fund--private/local
18 appropriation, \$100,000 of the vessel response account--state
19 appropriation, and \$12,000 of the recreation resources account--state
20 appropriation are provided solely for House Bill No. 1413 (invasive
21 species council). If the bill is not enacted by June 30, 2011, the
22 amounts provided in this subsection shall lapse.

23 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**
24 **HEARINGS OFFICE**

25	General Fund--State Appropriation (FY 2012)	\$2,419,000
26	General Fund--State Appropriation (FY 2013)	\$2,422,000
27	TOTAL APPROPRIATION	\$4,841,000

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

29	General Fund--State Appropriation (FY 2012)	\$6,790,000
30	General Fund--State Appropriation (FY 2013)	\$6,793,000
31	General Fund--Federal Appropriation	\$1,301,000
32	TOTAL APPROPRIATION	\$14,884,000

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

1 (1) The conservation commission, in cooperation with all
2 conservation districts, will seek to minimize conservation district
3 overhead costs. These efforts may include consolidating conservation
4 districts.

5 (2) \$122,000 of the general fund--federal appropriation is provided
6 solely for Engrossed Substitute House Bill No. 1886 (Ruckelshaus center
7 process). If the bill is not enacted by June 30, 2011, the amount
8 provided in this subsection shall lapse.

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

10	General Fund--State Appropriation (FY 2012)	\$35,721,000
11	General Fund--State Appropriation (FY 2013)	\$33,666,000
12	General Fund--Federal Appropriation	\$105,717,000
13	General Fund--Private/Local Appropriation	\$50,711,000
14	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
15	Aquatic Lands Enhancement Account--State Appropriation . . .	\$6,856,000
16	Recreational Fisheries Enhancement--State Appropriation . .	\$3,550,000
17	Warm Water Game Fish Account--State Appropriation	\$3,051,000
18	Eastern Washington Pheasant Enhancement Account--State	
19	Appropriation	\$849,000
20	Aquatic Invasive Species Enforcement Account--State	
21	Appropriation	\$204,000
22	Aquatic Invasive Species Prevention Account--State	
23	Appropriation	\$719,000
24	State Wildlife Account--State Appropriation	\$100,169,000
25	Special Wildlife Account--State Appropriation	\$2,384,000
26	Special Wildlife Account--Federal Appropriation	\$3,428,000
27	Special Wildlife Account--Private/Local Appropriation	\$487,000
28	Wildlife Rehabilitation Account--State Appropriation	\$259,000
29	Regional Fisheries Enhancement Salmonid Recovery	
30	Account--Federal Appropriation	\$5,001,000
31	Oil Spill Prevention Account--State Appropriation	\$887,000
32	Oyster Reserve Land Account--State Appropriation	\$921,000
33	TOTAL APPROPRIATION	\$354,971,000

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

36 (1) \$294,000 of the aquatic lands enhancement account--state

1 appropriation is provided solely for the implementation of hatchery
2 reform recommendations defined by the hatchery scientific review group.

3 (2) \$355,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$355,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for the department to continue a
6 pilot project with the Confederated Tribes of the Colville Reservation
7 to develop expanded recreational fishing opportunities on Lake Rufus
8 Woods and its northern shoreline and to conduct joint enforcement of
9 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
10 state and tribal intergovernmental agreements developed under the
11 Columbia River water supply program. For the purposes of the pilot
12 project:

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

16 (b) The Colville Tribes have agreed to provide to holders of its
17 nontribal member fishing permits a means to demonstrate that fish in
18 their possession were lawfully taken in Lake Rufus Woods;

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

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

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

29 (3) Prior to submitting its 2013-2015 biennial operating and
30 capital budget request related to state fish hatcheries to the office
31 of financial management, the department shall contract with the
32 hatchery scientific review group (HSRG) to review this request. This
33 review shall: (a) Determine if the proposed requests are consistent
34 with HSRG recommendations; (b) prioritize the components of the
35 requests based on their contributions to protecting wild salmonid
36 stocks and meeting the recommendations of the HSRG; and (c) evaluate
37 whether the proposed requests are being made in the most cost effective

1 manner. The department shall provide a copy of the HSRG review to the
2 office of financial management with their agency budget proposal.

3 (4) \$400,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$400,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for a state match to support the
6 Puget Sound nearshore partnership between the department and the U.S.
7 army corps of engineers.

8 (5) \$50,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$50,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for removal of derelict gear in
11 Washington waters.

12 (6) \$100,000 of the eastern Washington pheasant enhancement
13 account--state appropriation is provided solely for the department to
14 support efforts to enhance permanent and temporary pheasant habitat on
15 public and private lands in Grant, Franklin, and Adams counties. The
16 department may support efforts by entities including conservation
17 districts, nonprofit organizations, and landowners, and must require
18 such entities to provide significant nonstate matching resources, which
19 may be in the form of funds, material, or labor.

20 (7) Within the amounts appropriated in this section, the department
21 shall identify additional opportunities for partnerships in order to
22 keep fish hatcheries operational. Such partnerships shall aim to
23 maintain fish production and salmon recovery with less reliance on
24 state operating funds.

25 (8) By September 1, 2011, the department shall update its
26 interagency agreement dated September 30, 2010, with the department of
27 natural resources concerning land management services on the department
28 of fish and wildlife's wildlife conservation and recreation lands. The
29 update shall include rates and terms for services.

30 (9) Prior to opening game management unit 490 to public hunting,
31 the department shall complete an environmental impact statement that
32 includes an assessment of how public hunting activities will impact the
33 ongoing protection of the public water supply.

34 (10) \$18,514,000 of the state wildlife account--state appropriation
35 is provided solely for the implementation of Second Substitute Senate
36 Bill No. 5385 (state wildlife account). If the bill is not enacted by
37 June 30, 2011, the amount provided in this subsection shall lapse.

1 (11) \$9,418,000 of the state wildlife account--state appropriation
2 is provided solely for the implementation of Second Substitute Senate
3 Bill No. 5622 (state land recreation access). If the bill is not
4 enacted by June 30, 2011, the amount provided in this subsection shall
5 lapse.

6 (12) During the 2011-2013 fiscal biennium, the department shall not
7 expend state moneys to purchase or acquire additional lands other than
8 those called for in Senate Bill No. 5467 (capital budget) or House Bill
9 No. 1497 (capital budget).

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

11	General Fund--State Appropriation (FY 2012)	\$33,856,000
12	General Fund--State Appropriation (FY 2013)	\$35,057,000
13	General Fund--Federal Appropriation	\$27,919,000
14	General Fund--Private/Local Appropriation	\$2,374,000
15	Forest Development Account--State Appropriation	\$41,507,000
16	ORV and Nonhighway Vehicle Account--State Appropriation	\$4,387,000
17	Surveys and Maps Account--State Appropriation	\$2,346,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation	\$7,218,000
20	Resources Management Cost Account--State	
21	Appropriation	\$81,800,000
22	Surface Mining Reclamation Account--State	
23	Appropriation	\$3,484,000
24	Disaster Response Account--State Appropriation	\$5,000,000
25	Forest and Fish Support Account--State Appropriation	\$7,933,000
26	Aquatic Land Dredged Material Disposal Site	
27	Account--State Appropriation	\$838,000
28	Natural Resources Conservation Areas Stewardship	
29	Account--State Appropriation	\$34,000
30	State Toxics Control Account--State Appropriation	\$80,000
31	Air Pollution Control Account--State Appropriation	\$1,319,000
32	NOVA Program Account--State Appropriation	\$639,000
33	Derelict Vessel Removal Account--State Appropriation	\$1,761,000
34	Agricultural College Trust Management Account--State	
35	Appropriation	\$1,854,000
36	TOTAL APPROPRIATION	\$259,406,000

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

3 (1) \$977,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$915,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for deposit into the agricultural
6 college trust management account and are provided solely to manage
7 approximately 70,700 acres of Washington State University's
8 agricultural college trust lands.

9 (2) \$10,037,000 of the general fund--state appropriation for fiscal
10 year 2012, \$10,037,000 of the general fund--state appropriation for
11 fiscal year 2013, and \$5,000,000 of the disaster response account--
12 state appropriation are provided solely for emergency fire suppression.
13 None of the general fund and disaster response account amounts provided
14 in this subsection may be used to fund agency indirect and
15 administrative expenses. Agency indirect and administrative costs
16 shall be allocated among the agency's remaining accounts and
17 appropriations. The department of natural resources shall submit a
18 quarterly report to the office of financial management and the
19 legislative fiscal committees detailing information on current and
20 planned expenditures from the disaster response account. This work
21 shall be done in coordination with the military department.

22 (3) \$4,000,000 of the forest and fish support account--state
23 appropriation is provided solely for adaptive management, monitoring,
24 and participation grants to tribes. If federal funding for this
25 purpose is reinstated, the amount provided in this subsection shall
26 lapse.

27 (4) \$333,000 of the forest and fish support account--state
28 appropriation is provided solely for adaptive management, monitoring,
29 and participation grants to nongovernmental organizations.

30 (5) \$487,000 of the general fund--state appropriation is provided
31 solely to fund interagency agreements with the department of ecology
32 and the department of fish and wildlife as part of the adaptive
33 management process.

34 (6) \$1,000,000 of the general fund--federal appropriation and
35 \$1,000,000 of the forest and fish support account--state appropriation
36 are provided solely for continuing scientific studies already underway
37 as part of the adaptive management process. Funds may not be used to

1 initiate new studies unless the department secures new federal funding
2 for the adaptive management process.

3 (7) The department is authorized to increase the silviculture
4 burning permit fee in the 2011-2013 biennium by up to eighty dollars
5 plus fifty cents per ton for each ton of material burned in excess of
6 one hundred tons.

7 (8) \$440,000 of the state general fund--state appropriation for
8 fiscal year 2012 and \$440,000 of the state general fund--state
9 appropriation for fiscal year 2013 are provided solely for forest work
10 crews that support correctional camps and are contingent upon
11 continuing operations of Naselle youth camp.

12 (9) By September 1, 2011, the department shall update its
13 interagency agreement dated September 30, 2010, with the department of
14 fish and wildlife concerning land management services on the department
15 of fish and wildlife's wildlife conservation and recreation lands. The
16 update shall include rates and terms for services.

17 (10)(a) The department shall convene the marine rents review
18 committee so that the committee can recommend to the legislature
19 alternative methods of calculating rents for marinas occupying
20 state-owned aquatic lands. The committee must explore ways to refine
21 and improve the averaging method for calculating rents for marinas as
22 generally described in Senate Bill No. 5550 (marina annual rent rates);
23 examine current methodologies; address significant fluctuations in
24 assessed value among similarly sized and situated properties; and
25 explore how marina rents in similar regional marina markets can affect
26 market conditions for marinas. The department shall also consider
27 expanding representation and stakeholder outreach on the committee,
28 based on recommendations of existing committee members. The department
29 is authorized to use independent facilitators and outside parties to
30 partner in the committee's efforts. Recommendations provided by the
31 committee must meet these minimum requirements:

32 (i) Provide more equitable treatment of marina lessees through
33 similar lease rates for similar uses in similar markets or geographic
34 locations;

35 (ii) Minimize administrative burdens to the department;

36 (iii) Be designed with strategies to be revenue neutral or positive
37 to the state over a time frame agreeable to the department.

1 (b) The committee shall strive for unanimous agreement in its
2 recommendations. In the absence of a unanimous agreement, a vote may
3 be taken to assess preferences and majority and minority views, and
4 recommendations must be reported to the legislature by December 1,
5 2011, consistent with RCW 43.01.036.

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

7	General Fund--State Appropriation (FY 2012)	\$15,729,000
8	General Fund--State Appropriation (FY 2013)	\$15,371,000
9	General Fund--Federal Appropriation	\$22,925,000
10	General Fund--Private/Local Appropriation	\$190,000
11	Aquatic Lands Enhancement Account--State	
12	Appropriation	\$2,074,000
13	State Toxics Control Account--State Appropriation	\$5,116,000
14	Water Quality Permit Account--State Appropriation	\$60,000
15	TOTAL APPROPRIATION	\$61,465,000

16 The appropriations in this section are subject to the following
17 conditions and limitations: \$5,308,445 of the general fund--state
18 appropriation for fiscal year 2012 and \$5,302,905 of the general fund--
19 state appropriation for fiscal year 2013 are provided solely for
20 implementing the food assistance program as defined in RCW 43.23.290.

21 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
22 **INSURANCE PROGRAM**

23	Pollution Liability Insurance Program Trust	
24	Account--State Appropriation	\$335,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: The appropriations in this section are for
27 fiscal year 2012. Appropriations for fiscal year 2013 are contained in
28 section 302 of this act.

29 NEW SECTION. **Sec. 311. FOR THE PUGET SOUND PARTNERSHIP**

30	General Fund--State Appropriation (FY 2012)	\$2,545,000
31	General Fund--State Appropriation (FY 2013)	\$2,520,000
32	General Fund--Federal Appropriation	\$9,581,000
33	General Fund--Private/Local Appropriation	\$25,000
34	Aquatic Lands Enhancement Account--State Appropriation	\$493,000
35	State Toxics Control Account--State Appropriation	\$665,000

1 TOTAL APPROPRIATION \$15,829,000

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

4 (1) \$706,000 of the state toxics control account--state
5 appropriation is provided solely for activities that contribute to
6 Puget Sound protection and recovery, including provision of independent
7 advice and assessment of the state's oil spill prevention,
8 preparedness, and response programs, including review of existing
9 activities and recommendations for any necessary improvements. The
10 partnership may carry out this function through an existing committee,
11 such as the ecosystem coordination board or the leadership council, or
12 may appoint a special advisory council. Because this is a unique
13 statewide program, the partnership may invite participation from
14 outside the Puget Sound region.

15 (2) Within the amounts appropriated in this section, the Puget
16 Sound partnership shall facilitate an ongoing monitoring consortium to
17 integrate monitoring efforts for storm water, water quality, watershed
18 health, and other indicators to enhance monitoring efforts in Puget
19 Sound.

20 NEW SECTION. **Sec. 312. FOR THE DEPARTMENT OF AGRICULTURE, THE**
21 **DEPARTMENT OF ECOLOGY, AND THE STATE CONSERVATION COMMISSION**

22 (1) The directors of the department of agriculture, the department
23 of ecology, and the conservation commission shall coordinate a process
24 to examine the issue of achieving the state's water quality objectives
25 relating to livestock operations. The directors shall determine what
26 personnel are assigned to this activity and may provide oversight to
27 the process. In implementing this process, the directors shall involve
28 representatives of involved agencies, stakeholders, and tribes. The
29 topics to be considered include:

30 (a) The appropriate background and training for personnel that
31 conduct inspections of and provide technical assistance to livestock
32 operators and whether personnel need to be specifically trained and
33 assigned to serve this function;

34 (b) The roles and relationships between technical assistance,
35 inspection, and enforcement, and the concept of customer service;

36 (c) The use, availability, and limitations of DNA testing as a

1 water quality diagnosis tool and the recommendation of water quality
2 testing protocols needed for livestock operations investigations;

3 (d) The availability and constraints of state and federal programs
4 for planning, installation, maintenance of conservation and pollution
5 control practices, and review of alternative practices;

6 (e) The extent of known water quality problems relating to
7 livestock operations;

8 (f) Best methods to achieve state water quality objectives in the
9 context of a system that includes both regulatory and incentive-based
10 approaches;

11 (g) A review of considerations used to determine water quality
12 standards, including those applicable to the shellfish industry; and

13 (h) The availability of state and federal funding and whether it is
14 being appropriately allocated.

15 (2) The directors identified in subsection (1) of this section
16 shall develop recommendations for the administration and improvement of
17 the program, including recommendations on the use of DNA technology.
18 The directors shall provide a written summary of the activities and
19 recommendations to the legislature and the governor by December 1,
20 2011.

21 (3) The activities under this section must be completed to the
22 extent feasible from within existing fiscal resources available to the
23 involved state agencies.

24 (4) This section expires December 31, 2011.

(End of part)

PART IV
TRANSPORTATION

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

4	General Fund--State Appropriation (FY 2012)	\$1,265,000
5	General Fund--State Appropriation (FY 2013)	\$1,508,000
6	Architects' License Account--State Appropriation	\$1,084,000
7	Professional Engineers' Account--State	
8	Appropriation	\$3,524,000
9	Real Estate Commission Account--State Appropriation	\$9,843,000
10	Uniform Commercial Code Account--State Appropriation	\$3,126,000
11	Real Estate Education Account--State Appropriation	\$276,000
12	Real Estate Appraiser Commission Account--State	
13	Appropriation	\$1,687,000
14	Business and Professions Account--State Appropriation	\$15,646,000
15	Real Estate Research Account--State Appropriation	\$622,000
16	Geologists' Account--State Appropriation	\$51,000
17	Derelict Vessel Removal Account--State Appropriation	\$31,000
18	TOTAL APPROPRIATION	\$38,663,000

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

21 (1) Pursuant to RCW 43.135.055, the department is authorized to
22 increase fees for collection agencies. This increase is necessary to
23 support the expenditures authorized in this section, consistent with
24 RCW 43.24.086.

25 (2) \$8,000 of the business and professions account--state
26 appropriation is provided solely to implement Substitute Senate Bill
27 No. 5574 (collection agencies).

28 (3) \$54,000 of the business and professions account--state
29 appropriation is provided solely to implement Substitute House Bill No.
30 1205 (court reporter licensing). If the bill is not enacted by June
31 30, 2011, the amount provided in this subsection shall lapse.

32 (4) Pursuant to Substitute House Bill No. 2017 (master license
33 program), all powers, duties, and functions of the master license
34 service program, including all related resources, are transferred from
35 the department of licensing to the department of revenue effective July

1 1, 2011. If the transfer is not complete by the effective date, the
2 department of licensing will absorb any associated cost overruns
3 through the department's general fund--state appropriation.

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

5	General Fund--State Appropriation (FY 2012)	\$38,921,000
6	General Fund--State Appropriation (FY 2013)	\$36,578,000
7	General Fund--Federal Appropriation	\$16,081,000
8	General Fund--Private/Local Appropriation	\$3,021,000
9	Death Investigations Account--State Appropriation	\$5,572,000
10	County Criminal Justice Assistance Account--State	
11	Appropriation	\$3,215,000
12	Municipal Criminal Justice Assistance Account--State	
13	Appropriation	\$1,290,000
14	Fire Service Trust Account--State Appropriation	\$131,000
15	Disaster Response Account--State Appropriation	\$8,002,000
16	Fire Service Training Account--State Appropriation	\$9,010,000
17	Aquatic Invasive Species Enforcement Account--State	
18	Appropriation	\$54,000
19	State Toxics Control Account--State Appropriation	\$505,000
20	Fingerprint Identification Account--State	
21	Appropriation	\$8,788,000
22	Vehicle License Fraud Account--State Appropriation	\$339,000
23	TOTAL APPROPRIATION	\$131,507,000

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

26 (1) \$200,000 of the fire service training account--state
27 appropriation is provided solely for two FTEs in the office of the
28 state director of fire protection to exclusively review K-12
29 construction documents for fire and life safety in accordance with the
30 state building code. It is the intent of this appropriation to provide
31 these services only to those districts that are located in counties
32 without qualified review capabilities.

33 (2) \$8,000,000 of the disaster response account--state
34 appropriation is provided solely for Washington state fire service
35 resource mobilization costs incurred in response to an emergency or
36 disaster authorized under RCW 43.43.960 and 43.43.964. The state
37 patrol shall submit a report quarterly to the office of financial

1 management and the legislative fiscal committees detailing information
2 on current and planned expenditures from this account. This work shall
3 be done in coordination with the military department.

4 (3) \$400,000 of the fire service training account--state
5 appropriation is provided solely for the firefighter apprenticeship
6 training program.

7 (4) In accordance with RCW 43.43.742 the state patrol is authorized
8 to increase the following fees in fiscal year 2012 as necessary to meet
9 the actual costs of conducting business and the appropriation levels in
10 this section: Notary service fee.

11 (5) \$59,000 of the fingerprint identification account--state
12 appropriation is provided solely for implementation of Engrossed Second
13 Substitute House Bill No. 1776 (child care center licensing). If the
14 bill is not enacted by June 30, 2011, the amount provided in this
15 subsection shall lapse.

16 (6) \$6,000 of the fingerprint identification account--state
17 appropriation is provided solely for implementation of Engrossed
18 Substitute House Bill No. 1494 (vulnerable adult referrals). If the
19 bill is not enacted by June 30, 2011, the amount provided in this
20 subsection shall lapse.

(End of part)

PART V
EDUCATION

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

General Fund--State Appropriation (FY 2012)	\$25,701,000
General Fund--State Appropriation (FY 2013)	\$23,052,000
General Fund--Federal Appropriation	\$81,065,000
General Fund--Private/Local Appropriation	\$4,000,000
TOTAL APPROPRIATION	\$133,818,000

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

(1) A maximum of \$16,450,000 of the general fund--state appropriation for fiscal year 2012 and \$13,889,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$9,365,000 of the general fund--state appropriation for fiscal year 2012 and \$8,451,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), 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.

(ii) By January 1, 2012, the office of the superintendent of public instruction shall issue a report to the legislature with a timeline and an estimate of costs for implementation of the common core standards. The report must incorporate feedback from an open public forum for recommendations to enhance the standards, particularly in math.

(iii) Within the amounts provided, and in consultation with the public school employees of Washington and the Washington school counselors' association, the office of the superintendent of public instruction shall develop a model policy that further defines the recommended roles and responsibilities of graduation coaches and

1 identifies best practices for how graduation coaches work in
2 coordination with school counselors and in the context of a
3 comprehensive school guidance and counseling program.

4 (iv) Within the amounts provided, the office of the superintendent
5 of public instruction shall develop a new electronic certification
6 system for educators, pursuant to Engrossed Substitute House Bill No.
7 1449 (educator certificate fee). The office of the superintendent of
8 public instruction and the office of financial management shall work to
9 allocate sufficient funding from federal grant funds for the state's P-
10 20 longitudinal data system, to the extent allowable, for the purpose
11 of developing and implementing a new electronic certification system.

12 (v) The office of the superintendent of public instruction shall,
13 no later than August 1, 2011, establish a standard statewide definition
14 of unexcused absence. The definition shall be reported to the ways and
15 means committees of the senate and house of representatives for
16 legislative review in the 2012 legislative session. Beginning no later
17 than January 1, 2012, districts shall report to the office of the
18 superintendent of public instruction, daily student unexcused absence
19 data by school.

20 (b) \$1,964,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$1,017,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for activities associated with the
23 implementation of new school finance systems required by chapter 236,
24 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
25 (state's education system), including technical staff, systems
26 reprogramming, and workgroup deliberations, including the quality
27 education council and the data governance working group.

28 (c) \$851,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$851,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for the operation and expenses of
31 the state board of education, including basic education assistance
32 activities.

33 (d) \$1,744,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$1,362,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely to the professional educator
36 standards board for the following:

37 (i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year

1 2013 are for the operation and expenses of the Washington professional
2 educator standards board; and

3 (ii) \$694,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$312,000 of the general fund--state appropriation for
5 fiscal year 2013 are for conditional scholarship loans and mentor
6 stipends provided through the alternative routes to certification
7 program administered by the professional educator standards board,
8 including the pipeline for paraeducators program and the retooling to
9 teach conditional loan programs. Funding within this subsection
10 (1)(d)(ii) is also provided for the recruiting Washington teachers
11 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-
12 2013 fiscal biennium are intended to be one-time.

13 (e) \$133,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$133,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for the implementation of chapter
16 240, Laws of 2010, including staffing the office of equity and civil
17 rights.

18 (f) \$50,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$50,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for the ongoing work of the
21 achievement gap oversight and accountability committee.

22 (g) \$45,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$45,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for the implementation of chapter
25 380, Laws of 2009 (enacting the interstate compact on educational
26 opportunity for military children).

27 (h) \$159,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$93,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for the implementation of chapter
30 185, Laws of 2011 (bullying prevention), which requires the office of
31 the superintendent of public instruction to convene an ongoing
32 workgroup on school bullying and harassment prevention. Within the
33 amounts provided, \$140,000 is for youth suicide prevention activities.

34 (i) \$91,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$5,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely for the implementation of House
37 Bill No. 2111 (implementing selected recommendations from the 2011

1 report of the quality education council). If the bill is not enacted
2 by June 30, 2011, the amounts provided in this subsection shall lapse.

3 (j) \$1,227,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$1,227,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for implementing a comprehensive
6 data system to include financial, student, and educator data, including
7 development and maintenance of the comprehensive education data and
8 research system (CEDARS).

9 (k) \$25,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$25,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for project citizen, a program
12 sponsored by the national conference of state legislatures and the
13 center for civic education to promote participation in government by
14 middle school students.

15 (l) \$166,000 of the general fund--state appropriation for fiscal
16 year 2012 is provided solely for the implementation of chapter 192,
17 Laws of 2011 (school district insolvency). Funding is provided to
18 develop a clear legal framework and process for dissolution of a school
19 district.

20 (2) \$9,267,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$9,167,000 of the general fund--state appropriation for
22 fiscal year 2013 are for statewide programs.

23 (a) HEALTH AND SAFETY

24 (i) \$2,541,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$2,541,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for a corps of nurses located at
27 educational service districts, as determined by the superintendent of
28 public instruction, to be dispatched to the most needy schools to
29 provide direct care to students, health education, and training for
30 school staff.

31 (ii) \$50,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$50,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for a nonviolence and leadership
34 training program provided by the institute for community leadership.

35 (b) TECHNOLOGY

36 \$1,221,000 of the general fund--state appropriation for fiscal year
37 2012 and \$1,221,000 of the general fund--state appropriation for fiscal
38 year 2013 are provided solely for K-20 telecommunications network

1 technical support in the K-12 sector to prevent system failures and
2 avoid interruptions in school utilization of the data processing and
3 video-conferencing capabilities of the network. These funds may be
4 used to purchase engineering and advanced technical support for the
5 network.

6 (c) GRANTS AND ALLOCATIONS

7 (i) \$675,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$675,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for the Washington state achievers
10 scholarship program. The funds shall be used to support community
11 involvement officers that recruit, train, and match community volunteer
12 mentors with students selected as achievers scholars.

13 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$1,000,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for contracting with a college
16 scholarship organization with expertise in conducting outreach to
17 students concerning eligibility for the Washington college bound
18 scholarship consistent with chapter 405, Laws of 2007.

19 (iii) \$2,808,000 of the general fund--state appropriation for
20 fiscal year 2012 and \$2,808,000 of the general fund--state
21 appropriation for fiscal year 2013 are provided solely for the
22 dissemination of the navigation 101 curriculum to all districts. The
23 funding shall support electronic student planning tools and software
24 for analyzing the impact of navigation 101 on student performance, as
25 well as grants to a maximum of one hundred school districts each year,
26 based on progress and need for the implementation of the navigation 101
27 program. The implementation grants shall be awarded to a cross-section
28 of school districts reflecting a balance of geographic and demographic
29 characteristics. Within the amounts provided, the office of the
30 superintendent of public instruction will create a navigation 101
31 accountability model to analyze the impact of the program.

32 (iv) \$337,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$337,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for implementation of the building
35 bridges statewide program for comprehensive dropout prevention,
36 intervention, and reengagement strategies.

37 (v) \$135,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$135,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for dropout prevention programs at
2 the office of the superintendent of public instruction, including the
3 jobs for America's graduates (JAG) program.

4 (vi) \$500,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$400,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the implementation of chapter
7 340, Laws of 2011 (assessment of students in state-funded full-day
8 kindergarten classrooms), including the development and implementation
9 of the Washington kindergarten inventory of developing skills (WaKIDS).

10 **NEW SECTION. Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
11 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

12	General Fund--State Appropriation (FY 2012)	\$5,242,704,000
13	General Fund--State Appropriation (FY 2013)	\$5,217,070,000
14	TOTAL APPROPRIATION	\$10,459,774,000

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

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

20 (b) For the 2011-12 and 2012-13 school years, the superintendent
21 shall allocate general apportionment funding to school districts as
22 provided in the funding formulas and salary schedules in sections 502
23 and 503 of this act, excluding (c) of this subsection.

24 (c) From July 1, 2011 to August 31, 2011, the superintendent shall
25 allocate general apportionment funding to school districts programs as
26 provided in sections 502 and 504, chapter 564, Laws of 2009, as amended
27 through sections 1402 and 1403 of this act.

28 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

29 Allocations for certificated instructional staff salaries for the
30 2011-12 and 2012-13 school years are determined using formula-generated
31 staff units calculated pursuant to this subsection.

32 (a) Certificated instructional staff units, as defined in RCW
33 28A.150.410, shall be allocated to reflect the minimum class size
34 allocations, requirements, and school prototypes assumptions as
35 provided in RCW 28A.150.260. The superintendent shall adjust
36 allocations to school districts based on the district's annual average
37 full-time equivalent student enrollment in each grade.

1 (b) Additional certificated instructional staff units provided in
2 this subsection (2) that exceed the minimum requirements in RCW
3 28A.150.260 are enhancements outside the program of basic education,
4 except as otherwise provided in this section.

5 (c)(i) The superintendent shall base allocations for each level of
6 prototypical school on the following regular education average class
7 size of full-time equivalent students per teacher, except as provided
8 in (c)(ii) of this subsection:

9 General education class size:

10	Grade	RCW 28A.150.260
11	Grades K-3	25.23
12	Grade 4	27.00
13	Grades 5-6	27.00
14	Grades 7-8	28.53
15	Grades 9-12	28.74

16 The superintendent shall base allocations for career and technical
17 education (CTE) and skill center programs average class size as
18 provided in RCW 28A.150.260.

19 (ii) For each level of prototypical school at which more than fifty
20 percent of the students were eligible for free and reduced-price meals
21 in the prior school year, the superintendent shall allocate funding
22 based on the following average class size of full-time equivalent
23 students per teacher:

24 General education class size in high poverty
25 school:

26	Grades K-3	24.10
27	Grade 4	27.00
28	Grades 5-6	27.00
29	Grades 7-8	28.53
30	Grades 9-12	28.74

31 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher

1 planning period, expressed as a percentage of a teacher work day, is
2 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

3 (iv) Laboratory science, advanced placement, and international
4 baccalaureate courses are funded at the same class size assumptions as
5 general education schools in the same grade; and

6 (d)(i) Funding for teacher librarians, school nurses, social
7 workers, school psychologists, and guidance counselors is allocated
8 based on the school prototypes as provided in RCW 28A.150.260 and is
9 considered certificated instructional staff, except as provided in
10 (d)(ii) of this subsection.

11 (ii) Students in approved career and technical education and skill
12 center programs generate certificated instructional staff units to
13 provide for the services of teacher librarians, school nurses, social
14 workers, school psychologists, and guidance counselors at the following
15 combined rate per 1000 students:

16 Career and Technical Education

17	students	2.02 per 1000 student FTE's
18	Skill Center students	2.36 per 1000 student FTE's

19 (3) ADMINISTRATIVE STAFF ALLOCATIONS

20 (a) Allocations for school building-level certificated
21 administrative staff salaries for the 2011-12 and 2012-13 school years
22 for general education students are determined using the formula-
23 generated staff units provided in RCW 28A.150.260, and adjusted based
24 on a district's annual average full-time equivalent student enrollment
25 in each grade.

26 (b) Students in approved career and technical education and skill
27 center programs generate certificated school building-level
28 administrator staff units at per student rates that exceed the general
29 education rate in (a) of this subsection by the following percentages:

30	Career and Technical Education students	2.5 percent
31	Skill Center students	19.75 percent

32 (4) CLASSIFIED STAFF ALLOCATIONS

33 Allocations for classified staff units providing school building-
34 level and district-wide support services for the 2011-12 and 2012-13
35 school years are determined using the formula-generated staff units
36 provided in RCW 28A.150.260, and adjusted based on each district's
37 annual average full-time equivalent student enrollment in each grade.

1 (5) CENTRAL OFFICE ALLOCATIONS

2 In addition to classified and administrative staff units allocated
3 in subsections (3) and (4) of this section, classified and
4 administrative staff units are provided for the 2011-12 and 2012-13
5 school year for the central office administrative costs of operating a
6 school district, at the following rates:

7 (a) The total central office staff units provided in this
8 subsection (5) are calculated by first multiplying the total number of
9 eligible certificated instructional, certificated administrative, and
10 classified staff units providing school-based or district-wide support
11 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

12 (b) Of the central office staff units calculated in (a) of this
13 subsection, 74.53 percent are allocated as classified staff units, as
14 generated in subsection (4) of this section, and 25.47 percent shall be
15 allocated as administrative staff units, as generated in subsection (3)
16 of this section.

17 (c) Staff units generated as enhancements outside the program of
18 basic education to the minimum requirements of RCW 28A.150.260, and
19 staff units generated by skill center and career-technical students,
20 are excluded from the total central office staff units calculation in
21 (a) of this subsection.

22 (d) For students in approved career-technical and skill center
23 programs, central office classified units are allocated at the same
24 staff unit per student rate as those generated for general education
25 students of the same grade in this subsection (5), and central office
26 administrative staff units are allocated at staff unit per student
27 rates that exceed the general education rate established for students
28 in the same grade in this subsection (5) by 3.69 percent for career and
29 technical education students, and 21.92 percent for skill center
30 students.

31 (6) FRINGE BENEFIT ALLOCATIONS

32 Fringe benefit allocations shall be calculated at a rate of 16.49
33 percent in the 2011-12 school year and 16.50 percent in the 2012-13
34 school year for certificated salary allocations provided under
35 subsections (2), (3), and (5) of this section, and a rate of 18.86
36 percent in the 2011-12 school year and 18.88 percent in the 2012-13
37 school year for classified salary allocations provided under
38 subsections (4) and (5) of this section.

1 (7) INSURANCE BENEFIT ALLOCATIONS

2 Insurance benefit allocations shall be calculated at the
3 maintenance rate specified in section 504 of this act, based on the
4 number of benefit units determined as follows:

5 (a) The number of certificated staff units determined in
6 subsections (2), (3), and (5) of this section; and

7 (b) The number of classified staff units determined in subsections
8 (4) and (5) of this section multiplied by 1.152. This factor is
9 intended to adjust allocations so that, for the purposes of
10 distributing insurance benefits, full-time equivalent classified
11 employees may be calculated on the basis of 1440 hours of work per
12 year, with no individual employee counted as more than one full-time
13 equivalent.

14 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

15 Funding is allocated per annual average full-time equivalent
16 student for the materials, supplies, and operating costs (MSOC)
17 incurred by school districts, consistent with the requirements of RCW
18 28A.150.260.

19 (a) MSOC funding for general education students are allocated at
20 the following per student rates:

21 MSOC RATES/STUDENT FTE

22 MSOC Component	23 2011-12	24 2012-13
	25 SCHOOL YEAR	SCHOOL YEAR
26 Technology	\$57.02	\$57.99
27 Utilities and Insurance	\$154.93	\$157.56
28 Curriculum and Textbooks	\$61.22	\$62.26
29 Other Supplies and Library Materials	\$129.97	\$132.18
30 Instructional Professional Development for Certificated and Classified Staff	\$9.47	\$9.63
31 Facilities Maintenance	\$76.75	\$78.06
32 Security and Central Office	\$53.17	\$54.08
33 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$542.53	\$551.76

1 (b) Students in approved skill center programs generate per student
2 FTE MSOC allocations which equal the rate for general education
3 students calculated in (a) of this subsection, multiplied by a factor
4 of 2.187.

5 (c) Students in approved exploratory and preparatory career and
6 technical education programs generate a per student MSOC allocation
7 that is equal to the rate for general education students calculated in
8 (a) of this subsection, multiplied by a factor of 2.459.

9 (d) Students in laboratory science courses generate per student FTE
10 MSOC allocations which equal the per student FTE rate for general
11 education students established in (a) of this subsection.

12 (9) SUBSTITUTE TEACHER ALLOCATIONS

13 For the 2011-12 and 2012-13 school years, funding for substitute
14 costs for classroom teachers is based on four (4) funded substitute
15 days per classroom teacher unit generated under subsection (2) of this
16 section, at a daily substitute rate of \$151.86.

17 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

18 (a) Amounts provided in this section are adjusted to reflect
19 provisions of House Bill No. 2065 (allocation of funding for funding
20 for students enrolled in alternative learning experiences).

21 (b) The superintendent of public instruction shall require all
22 districts receiving general apportionment funding for alternative
23 learning experience (ALE) programs as defined in WAC 392-121-182 to
24 provide separate financial accounting of expenditures for the ALE
25 programs offered in district or with a provider, including but not
26 limited to private companies and multidistrict cooperatives, as well as
27 accurate, monthly headcount and FTE enrollment claimed for basic
28 education, including separate counts of resident and nonresident
29 students.

30 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

31 Funding in this section is sufficient to fund voluntary full day
32 kindergarten programs in qualifying high poverty schools, pursuant to
33 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
34 for the voluntary full-day program in a qualifying school shall count
35 as one-half of one full-time equivalent student for purpose of making
36 allocations under this section. Funding in this section provides full-
37 day kindergarten programs for 21 percent of kindergarten enrollment in

1 the 2011-12 school year, and 22 percent in the 2012-13 school year.
2 Funding priority shall be given to schools with the highest poverty
3 levels, as measured by prior year free and reduced price lunch
4 eligibility rates in each school. Funding in this section is
5 sufficient to fund voluntary full day kindergarten programs for July
6 and August of the 2010-11 school year.

7 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
8 NECESSARY PLANTS

9 For small school districts and remote and necessary school plants
10 within any district which have been judged to be remote and necessary
11 by the superintendent of public instruction, additional staff units are
12 provided to ensure a minimum level of staffing support. Additional
13 administrative and certificated instructional staff units provided to
14 districts in this subsection shall be reduced by the general education
15 staff units, excluding career and technical education and skills center
16 enhancement units, otherwise provided in subsections (2) through (5) of
17 this section on a per district basis.

18 (a) For districts enrolling not more than twenty-five average
19 annual full-time equivalent students in grades K-8, and for small
20 school plants within any school district which have been judged to be
21 remote and necessary by the superintendent of public instruction and
22 enroll not more than twenty-five average annual full-time equivalent
23 students in grades K-8:

24 (i) For those enrolling no students in grades 7 and 8, 1.76
25 certificated instructional staff units and 0.24 certificated
26 administrative staff units for enrollment of not more than five
27 students, plus one-twentieth of a certificated instructional staff unit
28 for each additional student enrolled; and

29 (ii) For those enrolling students in grades 7 or 8, 1.68
30 certificated instructional staff units and 0.32 certificated
31 administrative staff units for enrollment of not more than five
32 students, plus one-tenth of a certificated instructional staff unit for
33 each additional student enrolled;

34 (b) For specified enrollments in districts enrolling more than
35 twenty-five but not more than one hundred average annual full-time
36 equivalent students in grades K-8, and for small school plants within
37 any school district which enroll more than twenty-five average annual

1 full-time equivalent students in grades K-8 and have been judged to be
2 remote and necessary by the superintendent of public instruction:

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

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

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

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

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

25 (d) For each nonhigh school district having an enrollment of more
26 than seventy annual average full-time equivalent students and less than
27 one hundred eighty students, operating a grades K-8 program or a grades
28 1-8 program, an additional one-half of a certificated instructional
29 staff unit;

30 (e) For each nonhigh school district having an enrollment of more
31 than fifty annual average full-time equivalent students and less than
32 one hundred eighty students, operating a grades K-6 program or a grades
33 1-6 program, an additional one-half of a certificated instructional
34 staff unit;

35 (f)(i) For enrollments generating certificated staff unit
36 allocations under (a) through (e) of this subsection, one classified
37 staff unit for each 2.94 certificated staff units allocated under such
38 subsections;

1 (ii) For each nonhigh school district with an enrollment of more
2 than fifty annual average full-time equivalent students and less than
3 one hundred eighty students, an additional one-half of a classified
4 staff unit; and

5 (g) School districts receiving additional staff units to support
6 small student enrollments and remote and necessary plants under
7 subsection (12) of this section shall generate additional MSOC
8 allocations consistent with the nonemployee related costs (NERC)
9 allocation formula in place for the 2010-11 school year as provided
10 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental
11 budget), adjusted annually for inflation.

12 (13) Any school district board of directors may petition the
13 superintendent of public instruction by submission of a resolution
14 adopted in a public meeting to reduce or delay any portion of its basic
15 education allocation for any school year. The superintendent of public
16 instruction shall approve such reduction or delay if it does not impair
17 the district's financial condition. Any delay shall not be for more
18 than two school years. Any reduction or delay shall have no impact on
19 levy authority pursuant to RCW 84.52.0531 and local effort assistance
20 pursuant to chapter 28A.500 RCW.

21 (14) The superintendent may distribute funding for the following
22 programs outside the basic education formula during fiscal years 2012
23 and 2013 as follows:

24 (a) \$589,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$599,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for fire protection for school
27 districts located in a fire protection district as now or hereafter
28 established pursuant to chapter 52.04 RCW.

29 (b) \$436,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$436,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for programs providing skills
32 training for secondary students who are enrolled in extended day
33 school-to-work programs, as approved by the superintendent of public
34 instruction. The funds shall be allocated at a rate not to exceed \$500
35 per full-time equivalent student enrolled in those programs.

36 (c) Funding in this section is sufficient to fund adjustments to
37 school districts' allocations resulting from the implementation of the
38 prototypical school funding formula, pursuant to chapter 236, Laws of

1 2010 (K-12 education funding). The funding in this section is intended
2 to hold school districts harmless in total for funding changes
3 resulting from conversion to the prototypical school formula in the
4 general apportionment program, the learning assistance program, the
5 transitional bilingual program, and the highly capable program, after
6 adjustment for changes in enrollment and other caseload adjustments.

7 (15) \$208,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$211,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for school district emergencies as
10 certified by the superintendent of public instruction. At the close of
11 the fiscal year the superintendent of public instruction shall report
12 to the office of financial management and the appropriate fiscal
13 committees of the legislature on the allocations provided to districts
14 and the nature of the emergency.

15 (16) Amounts in this section include adjustments made by the
16 superintendent of public instruction for the repayment of financial
17 contingency funds allocated in fiscal year 2011, as specified in
18 section 501 of the 2011 supplemental budget. For any amount allocated
19 to a district in state fiscal year 2011, the superintendent of public
20 instruction shall deduct in state fiscal year 2012 from the district's
21 general apportionment the amount of the emergency contingency
22 allocation and any earnings by the school district on the investment of
23 a temporary cash surplus due to the emergency contingency allocation.
24 Repayments or advances will be accomplished by a reduction in the
25 school district's apportionment payments on or before June 30th of the
26 school year following the distribution of the emergency contingency
27 allocation. All disbursements, repayments, and outstanding allocations
28 to be repaid of the emergency contingency pool shall be reported to the
29 office of financial management and the appropriate fiscal committees of
30 the legislature on July 1st and January 1st of each year.

31 (17) Funding in this section is sufficient to fund a maximum of 1.6
32 FTE enrollment for skills center students pursuant to chapter 463, Laws
33 of 2007.

34 (18) Beginning in the 2011-12 school year, students participating
35 in running start programs may be funded up to a combined maximum
36 enrollment of 1.2 FTE including school district and institution of
37 higher education enrollment. Additionally, the office of the
38 superintendent of public instruction, in consultation with the state

1 board for community and technical colleges, the higher education
2 coordinating board, and the education data center, shall annually track
3 and report to the fiscal committees of the legislature on the combined
4 FTE experience of students participating in the running start program,
5 including course load analyses at both the high school and community
6 and technical college system.

7 (19) If two or more school districts consolidate and each district
8 was receiving additional basic education formula staff units pursuant
9 to subsection (12) of this section, the following apply:

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

14 (b) For the fourth through eighth school years following
15 consolidation, the difference between the basic education formula staff
16 units received by the districts for the school year prior to
17 consolidation and the basic education formula staff units after
18 consolidation pursuant to subsection (12) of this section shall be
19 reduced in increments of twenty percent per year.

20 (20)(a) Indirect cost charges by a school district to approved
21 career and technical education middle and secondary programs shall not
22 exceed 15 percent of the combined basic education and career and
23 technical education program enhancement allocations of state funds.
24 Middle and secondary career and technical education programs are
25 considered separate programs for funding and financial reporting
26 purposes under this section.

27 (b) Career and technical education program full-time equivalent
28 enrollment shall be reported on the same monthly basis as the
29 enrollment for students eligible for basic support, and payments shall
30 be adjusted for reported career and technical education program
31 enrollments on the same monthly basis as those adjustments for
32 enrollment for students eligible for basic support.

33 **NEW SECTION. Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
34 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION**

35 (1) The following calculations determine the salaries used in the
36 state allocations for certificated instructional, certificated

1 administrative, and classified staff units as provided in RCW
2 28A.150.280 and under section 503 of this act:

3 (a) Salary allocations for certificated instructional staff units
4 are determined for each district by multiplying the district's
5 certificated instructional total base salary shown on LEAP Document 2
6 by the district's average staff mix factor for certificated
7 instructional staff in that school year, computed using LEAP document
8 1; and

9 (b) Salary allocations for certificated administrative staff units
10 and classified staff units for each district are determined based on
11 the district's certificated administrative and classified salary
12 allocation amounts shown on LEAP Document 2.

13 (2) For the purposes of this section:

14 (a) "LEAP Document 1" means the staff mix factors for certificated
15 instructional staff according to education and years of experience, as
16 developed by the legislative evaluation and accountability program
17 committee on May 23, 2011, at 16:10 hours; and

18 (b) "LEAP Document 2" means the school year salary allocations for
19 certificated administrative staff and classified staff and derived and
20 total base salaries for certificated instructional staff as developed
21 by the legislative evaluation and accountability program committee on
22 May 23, 2011, at 16:10 hours.

23 (3) Incremental fringe benefit factors are applied to salary
24 adjustments at a rate of 15.85 percent for school year 2011-12 and
25 15.86 percent for school year 2012-13 for certificated instructional
26 and certificated administrative staff and 15.36 percent for school year
27 2011-12 and 15.38 percent for the 2012-13 school year for classified
28 staff.

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

32 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2011-12

33 ***Education Experience***

34
35 Years MA+90
36 of OR

1	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
2	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
3	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
4	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
5	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
6	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
7	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
8	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
9	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
10	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
11	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
12	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
13	11				45,883	49,169	51,558	49,295	52,581	54,969
14	12				47,332	50,777	53,238	50,850	54,188	56,650
15	13					52,425	54,959	52,460	55,836	58,370
16	14					54,081	56,745	54,117	57,600	60,157
17	15					55,488	58,221	55,523	59,098	61,721
18	16 or more					56,597	59,385	56,634	60,279	62,955

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13

Education Experience

23	Years									MA+90
24	of									OR
25	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
26	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
27	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
28	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
29	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
30	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
31	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
32	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
33	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
34	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
35	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785

1	10	42,806	44,387	47,602	49,945	47,798	51,014	53,356
2	11		45,883	49,169	51,558	49,295	52,581	54,969
3	12		47,332	50,777	53,238	50,850	54,188	56,650
4	13			52,425	54,959	52,460	55,836	58,370
5	14			54,081	56,745	54,117	57,600	60,157
6	15			55,488	58,221	55,523	59,098	61,721
7	16 or more			56,597	59,385	56,634	60,279	62,955

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

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

- 15 (i) Credits earned since receiving the masters degree; and
- 16 (ii) Any credits in excess of forty-five credits that were earned
17 after the baccalaureate degree but before the masters degree.

18 (5) For the purposes of this section:

- 19 (a) "BA" means a baccalaureate degree.
- 20 (b) "MA" means a masters degree.
- 21 (c) "PHD" means a doctorate degree.

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

24 (e) "Credits" means college quarter hour credits and equivalent
25 in-service credits computed in accordance with RCW 28A.415.020 and
26 28A.415.023.

27 (6) No more than ninety college quarter-hour credits received by
28 any employee after the baccalaureate degree may be used to determine
29 compensation allocations under the state salary allocation schedule and
30 LEAP documents referenced in this part V, or any replacement schedules
31 and documents, unless:

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

35 (7) The salary allocation schedules established in this section are
36 for allocation purposes only except as provided in RCW 28A.400.200(2).

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

3 General Fund--Federal Appropriation \$2,000

4 The appropriation in this section is subject to the following
5 conditions and limitations:

6 (1)(a) Additional salary adjustments as necessary to fund the base
7 salaries for certificated instructional staff as listed for each
8 district in LEAP Document 2, defined in section 504(2)(b) of this act.
9 Allocations for these salary adjustments shall be provided to all
10 districts that are not grandfathered to receive salary allocations
11 above the statewide salary allocation schedule, and to certain
12 grandfathered districts to the extent necessary to ensure that salary
13 allocations for districts that are currently grandfathered do not fall
14 below the statewide salary allocation schedule.

15 (b) Additional salary adjustments to certain districts as necessary
16 to fund the per full-time-equivalent salary allocations for
17 certificated administrative staff as listed for each district in LEAP
18 Document 2, defined in section 504(2)(b) of this act.

19 (c) Additional salary adjustments to certain districts as necessary
20 to fund the per full-time-equivalent salary allocations for classified
21 staff as listed for each district in LEAP Document 2, defined in
22 section 504(2)(b) of this act.

23 (d) The appropriations in this subsection (1) include associated
24 incremental fringe benefit allocations at 15.85 percent for the 2011-12
25 school year and 15.86 percent for the 2012-13 school year for
26 certificated instructional and certificated administrative staff and
27 15.36 percent for the 2011-12 school year and 15.38 percent for the
28 2012-13 school year for classified staff.

29 (e) The appropriations in this section include the increased or
30 decreased portion of salaries and incremental fringe benefits for all
31 relevant state-funded school programs in part V of this act. Changes
32 for general apportionment (basic education) are based on the salary
33 allocation schedules and methodology in sections 503 and 504 of this
34 act. Changes for special education result from changes in each
35 district's basic education allocation per student. Changes for
36 educational service districts and institutional education programs are
37 determined by the superintendent of public instruction using the

1 methodology for general apportionment salaries and benefits in sections
2 503 and 504 of this act.

3 (f) The appropriations in this section include no salary
4 adjustments for substitute teachers.

5 (2) The maintenance rate for insurance benefit allocations is
6 \$768.00 per month for the 2011-12 and 2012-13 school years. The
7 appropriations in this section reflect the incremental change in cost
8 of allocating rates of \$768.00 per month for the 2011-12 school year
9 and \$768.00 per month for the 2012-13 school year.

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

12 **NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
13 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

14	General Fund--State Appropriation (FY 2012)	\$323,759,000
15	General Fund--State Appropriation (FY 2013)	\$326,054,000
16	TOTAL APPROPRIATION	\$649,813,000

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

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

22 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
23 shall allocate funding to school district programs for the
24 transportation of students as provided in RCW 28A.160.192.

25 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
26 allocate funding to school districts programs for the transportation of
27 students as provided in section 505, chapter 564, Laws of 2009, as
28 amended through section 1404 of this act.

29 (3) Any amounts appropriated for maintenance level funding for
30 pupil transportation that exceed actual maintenance level expenditures
31 as calculated under the funding formula that takes effect September 1,
32 2011, shall be distributed to districts according to RCW
33 28A.160.192(2)(b).

34 (4) A maximum of \$892,000 of this fiscal year 2012 appropriation
35 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be
36 expended for regional transportation coordinators and related
37 activities. The transportation coordinators shall ensure that data

1 submitted by school districts for state transportation funding shall,
2 to the greatest extent practical, reflect the actual transportation
3 activity of each district.

4 (5) The office of the superintendent of public instruction shall
5 provide reimbursement funding to a school district for school bus
6 purchases only after the superintendent of public instruction
7 determines that the school bus was purchased from the list established
8 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
9 based on the lowest price quote based on similar bus categories to
10 those used to establish the list pursuant to RCW 28A.160.195.

11 (6) The superintendent of public instruction shall base
12 depreciation payments for school district buses on the pre-sales tax
13 five-year average of lowest bids in the appropriate category of bus.
14 In the final year on the depreciation schedule, the depreciation
15 payment shall be based on the lowest bid in the appropriate bus
16 category for that school year.

17 (7) Funding levels in this section reflect waivers granted by the
18 state board of education for four-day school weeks as allowed under RCW
19 28A.305.141.

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

22	General Fund--State Appropriation (FY 2012)	\$7,111,000
23	General Fund--State Appropriation (FY 2013)	\$7,111,000
24	General Fund--Federal Appropriation	\$437,988,000
25	TOTAL APPROPRIATION	\$452,210,000

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

28 (1) \$7,111,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$7,111,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for state matching money for
31 federal child nutrition programs, and may support the meals for kids
32 program through the following allowable uses:

33 (a) Elimination of breakfast copays for eligible public school
34 students and lunch copays for eligible public school students in grades
35 kindergarten through third grade who are eligible for reduced price
36 lunch;

1 (b) Assistance to school districts and authorized public and
2 private nonprofit organizations for supporting summer food service
3 programs, and initiating new summer food service programs in low-income
4 areas;

5 (c) Reimbursements to school districts for school breakfasts served
6 to students eligible for free and reduced price lunch, pursuant to
7 chapter 287, Laws of 2005; and

8 (d) Assistance to school districts in initiating and expanding
9 school breakfast programs.

10 The office of the superintendent of public instruction shall report
11 annually to the fiscal committees of the legislature on annual
12 expenditures in (a), (b), and (c) of this subsection.

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

15	General Fund--State Appropriation (FY 2012)	\$659,950,000
16	General Fund--State Appropriation (FY 2013)	\$689,480,000
17	General Fund--Federal Appropriation	\$691,796,000
18	Education Legacy Trust Account--State Appropriation	\$756,000
19	TOTAL APPROPRIATION	\$2,041,982,000

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

22 (1) Funding for special education programs is provided on an excess
23 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
24 that special education students as a class receive their full share of
25 the general apportionment allocation accruing through sections 502 and
26 504 of this act. To the extent a school district cannot provide an
27 appropriate education for special education students under chapter
28 28A.155 RCW through the general apportionment allocation, it shall
29 provide services through the special education excess cost allocation
30 funded in this section.

- 31 (2)(a) The superintendent of public instruction shall ensure that:
- 32 (i) Special education students are basic education students first;
 - 33 (ii) As a class, special education students are entitled to the
34 full basic education allocation; and
 - 35 (iii) Special education students are basic education students for
36 the entire school day.

1 (b) The superintendent of public instruction shall continue to
2 implement the full cost method of excess cost accounting, as designed
3 by the committee and recommended by the superintendent, pursuant to
4 section 501(1)(k), chapter 372, Laws of 2006.

5 (c) Beginning with the 2010-11 school year award cycle, the office
6 of the superintendent of public instruction shall make award
7 determinations for state safety net funding in August of each school
8 year. Determinations on school district eligibility for state safety
9 net awards shall be based on analysis of actual expenditure data from
10 the current school year.

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

14 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent
15 shall allocate funding to school district programs for special
16 education students as provided in RCW 28A.150.390.

17 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
18 allocate funding to school district programs for special education
19 students as provided in section 507, chapter 564, Laws of 2009, as
20 amended through section 1406 of this act.

21 (5) The following applies throughout this section: The definitions
22 for enrollment and enrollment percent are as specified in RCW
23 28A.150.390(3). Each district's general fund--state funded special
24 education enrollment shall be the lesser of the district's actual
25 enrollment percent or 12.7 percent.

26 (6) At the request of any interdistrict cooperative of at least 15
27 districts in which all excess cost services for special education
28 students of the districts are provided by the cooperative, the maximum
29 enrollment percent shall be calculated in accordance with RCW
30 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
31 rather than individual district units. For purposes of this
32 subsection, the average basic education allocation per full-time
33 equivalent student shall be calculated in the aggregate rather than
34 individual district units.

35 (7) \$16,404,000 of the general fund--state appropriation for fiscal
36 year 2012, \$30,807,000 of the general fund--state appropriation for
37 fiscal year 2013, and \$29,574,000 of the general fund--federal
38 appropriation are provided solely for safety net awards for districts

1 with demonstrated needs for special education funding beyond the
2 amounts provided in subsection (4) of this section. If the federal
3 safety net awards based on the federal eligibility threshold exceed the
4 federal appropriation in this subsection (7) in any fiscal year, the
5 superintendent shall expend all available federal discretionary funds
6 necessary to meet this need. At the conclusion of each school year,
7 the superintendent shall recover safety net funds that were distributed
8 prospectively but for which districts were not subsequently eligible.

9 (a) For the 2011-12 and 2012-13 school years, safety net funds
10 shall be awarded by the state safety net oversight committee as
11 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

12 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
13 operate the safety net oversight committee and shall award safety net
14 funds as provided in section 507, chapter 564, Laws of 2009, as amended
15 through section 1406 of this act.

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

21 (9) The superintendent shall maintain the percentage of federal
22 flow-through to school districts at 85 percent. In addition to other
23 purposes, school districts may use increased federal funds for high-
24 cost students, for purchasing regional special education services from
25 educational service districts, and for staff development activities
26 particularly relating to inclusion issues.

27 (10) A school district may carry over from one year to the next
28 year up to 10 percent of the general fund--state funds allocated under
29 this program; however, carryover funds shall be expended in the special
30 education program.

31 (11) \$251,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$251,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for two additional full-time
34 equivalent staff to support the work of the safety net committee and to
35 provide training and support to districts applying for safety net
36 awards.

37 (12) \$50,000 of the general fund--state appropriation for fiscal
38 year 2012, \$50,000 of the general fund--state appropriation for fiscal

1 year 2013, and \$100,000 of the general fund--federal appropriation
2 shall be expended to support a special education ombudsman program
3 within the office of superintendent of public instruction.

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

6	General Fund--State Appropriation (FY 2012)	\$7,898,000
7	General Fund--State Appropriation (FY 2013)	\$7,917,000
8	TOTAL APPROPRIATION . . . . .	.\$15,815,000

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

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

14 (2) Funding within this section is provided for regional
15 professional development related to mathematics and science curriculum
16 and instructional strategies. Funding shall be distributed among the
17 educational service districts in the same proportion as distributions
18 in the 2007-2009 biennium. Each educational service district shall use
19 this funding solely for salary and benefits for a certificated
20 instructional staff with expertise in the appropriate subject matter
21 and in professional development delivery, and for travel, materials,
22 and other expenditures related to providing regional professional
23 development support.

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

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

34	General Fund--State Appropriation (FY 2012)	\$303,337,000
35	General Fund--State Appropriation (FY 2013)	\$308,445,000
36	TOTAL APPROPRIATION . . . . .	.\$611,782,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: For purposes of RCW 84.52.0531, the
3 increase per full-time equivalent student is 3 percent from the 2010-11
4 school year to the 2011-12 school year and 5 percent from the 2011-12
5 school year to the 2012-13 school year.

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

8	General Fund--State Appropriation (FY 2012)	\$16,420,000
9	General Fund--State Appropriation (FY 2013)	\$16,190,000
10	TOTAL APPROPRIATION	\$32,610,000

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

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

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

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

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

28 (5) \$509,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$509,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely to maintain at least one
31 certificated instructional staff and related support services at an
32 institution whenever the K-12 enrollment is not sufficient to support
33 one full-time equivalent certificated instructional staff to furnish
34 the educational program. The following types of institutions are
35 included: Residential programs under the department of social and
36 health services for developmentally disabled juveniles, programs for

1 juveniles under the department of corrections, programs for juveniles
2 under the juvenile rehabilitation administration, and programs for
3 juveniles operated by city and county jails.

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

6	<u>NEW SECTION. Sec. 511. FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS</u>	
7	General Fund--State Appropriation (FY 2012)	\$8,741,000
8	General Fund--State Appropriation (FY 2013)	\$8,794,000
9	TOTAL APPROPRIATION	\$17,535,000

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

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

15 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
16 shall allocate funding to school district programs for highly capable
17 students as provided in RCW 28A.150.260(10)(c). In calculating the
18 allocations, the superintendent shall assume the following: (i)
19 Additional instruction of 2.1590 hours per week per funded highly
20 capable program student; (ii) fifteen highly capable program students
21 per teacher; (iii) 36 instructional weeks per year; (iv) 900
22 instructional hours per teacher; and (v) the district's average staff
23 mix and compensation rates as provided in sections 503 and 504 of this
24 act.

25 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
26 allocate funding to school districts programs for highly capable
27 students as provided in section 511, chapter 564, Laws of 2009, as
28 amended through section 1409 of this act.

29 (3) \$85,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$85,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for the centrum program at Fort
32 Worden state park.

33 **NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
34 **INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

35	General Fund--Federal Appropriation	\$7,352,000
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1 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

3	General Fund--State Appropriation (FY 2012)	\$58,078,000
4	General Fund--State Appropriation (FY 2013)	\$98,491,000
5	General Fund--Federal Appropriation	\$103,161,000
6	General Fund--Private/Local Appropriation	\$4,000,000
7	Education Legacy Trust Account--State Appropriation	\$1,598,000
8	TOTAL APPROPRIATION	\$265,328,000

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

11 (1) \$40,822,000 of the general fund--state appropriation for fiscal
12 year 2012, \$41,613,000 of the general fund--state appropriation for
13 fiscal year 2013, \$1,350,000 of the education legacy trust
14 account--state appropriation, and \$15,868,000 of the general fund--
15 federal appropriation are provided solely for development and
16 implementation of the Washington state assessment system, including:
17 (a) Development and implementation of retake assessments for high
18 school students who are not successful in one or more content areas and
19 (b) development and implementation of alternative assessments or
20 appeals procedures to implement the certificate of academic
21 achievement. The superintendent of public instruction shall report
22 quarterly on the progress on development and implementation of
23 alternative assessments or appeals procedures. Within these amounts,
24 the superintendent of public instruction shall contract for the early
25 return of 10th grade student assessment results, on or around June 10th
26 of each year. State funding shall be limited to one collection of
27 evidence payment per student, per content-area assessment.

28 (2) \$356,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$356,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for the Washington state
31 leadership and assistance for science education reform (LASER) regional
32 partnership activities coordinated at the Pacific science center,
33 including instructional material purchases, teacher and principal
34 professional development, and school and community engagement events.

35 (3) \$980,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$980,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for improving technology
38 infrastructure, monitoring and reporting on school district technology

1 development, promoting standards for school district technology,
2 promoting statewide coordination and planning for technology
3 development, and providing regional educational technology support
4 centers, including state support activities, under chapter 28A.650 RCW.

5 (4) \$3,852,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$2,624,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for continued implementation of
8 chapter 235, Laws of 2010 (education reform) including development of
9 new performance-based evaluation systems for certificated educators.

10 (5)(a) \$40,863,000 of the general fund--state appropriation for
11 fiscal year 2013 is provided solely for the following bonuses for
12 teachers who hold valid, unexpired certification from the national
13 board for professional teaching standards and who are teaching in a
14 Washington public school, subject to the following conditions and
15 limitations:

16 (i) For national board certified teachers, a bonus of \$5,090 per
17 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation
18 in each school year in which Initiative 732 cost of living adjustments
19 are provided;

20 (ii) An additional \$5,000 annual bonus shall be paid to national
21 board certified teachers who teach in either: (A) High schools where
22 at least 50 percent of student headcount enrollment is eligible for
23 federal free or reduced price lunch, (B) middle schools where at least
24 60 percent of student headcount enrollment is eligible for federal free
25 or reduced price lunch, or (C) elementary schools where at least 70
26 percent of student headcount enrollment is eligible for federal free or
27 reduced price lunch;

28 (iii) The superintendent of public instruction shall adopt rules to
29 ensure that national board certified teachers meet the qualifications
30 for bonuses under (a)(ii) of this subsection for less than one full
31 school year receive bonuses in a pro-rated manner. Beginning in the
32 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection
33 will be paid in July of each school year. Bonuses in (a)(i) and (ii)
34 of this subsection shall be reduced by a factor of 40 percent for first
35 year NBPTS certified teachers, to reflect the portion of the
36 instructional school year they are certified; and

37 (iv) During the 2011-12 and 2012-13 school years, and within
38 available funds, certificated instructional staff who have met the

1 eligibility requirements and have applied for certification from the
2 national board for professional teaching standards may receive a
3 conditional loan of two thousand dollars or the amount set by the
4 office of the superintendent of public instruction to contribute toward
5 the current assessment fee, not including the initial up-front
6 candidacy payment. The fee shall be an advance on the first annual
7 bonus under RCW 28A.405.415. The conditional loan is provided in
8 addition to compensation received under a district's salary schedule
9 and shall not be included in calculations of a district's average
10 salary and associated salary limitation under RCW 28A.400.200.
11 Recipients who fail to receive certification after three years are
12 required to repay the conditional loan. The office of the
13 superintendent of public instruction shall adopt rules to define the
14 terms for initial grant of the assessment fee and repayment, including
15 applicable fees. To the extent necessary, the superintendent may use
16 revenues from the repayment of conditional loan scholarships to ensure
17 payment of all national board bonus payments required by this section
18 in each school year.

19 (6) \$477,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$477,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for the leadership internship
22 program for superintendents, principals, and program administrators.

23 (7) \$950,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$950,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for the Washington reading corps.
26 The superintendent shall allocate reading corps members to low-
27 performing schools and school districts that are implementing
28 comprehensive, proven, research-based reading programs. Two or more
29 schools may combine their Washington reading corps programs.

30 (8) \$810,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$810,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the development of a
33 leadership academy for school principals and administrators. The
34 superintendent of public instruction shall contract with an independent
35 organization to design, field test, and implement a state-of-the-art
36 education leadership academy that will be accessible throughout the
37 state. Initial development of the content of the academy activities
38 shall be supported by private funds. Semiannually the independent

1 organization shall report on amounts committed by foundations and
2 others to support the development and implementation of this program.
3 Leadership academy partners shall include the state level organizations
4 for school administrators and principals, the superintendent of public
5 instruction, the professional educator standards board, and others as
6 the independent organization shall identify.

7 (9) \$3,234,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$3,234,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for grants to school districts to
10 provide a continuum of care for children and families to help children
11 become ready to learn. Grant proposals from school districts shall
12 contain local plans designed collaboratively with community service
13 providers. If a continuum of care program exists in the area in which
14 the school district is located, the local plan shall provide for
15 coordination with existing programs to the greatest extent possible.

16 (10) \$1,500,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$1,500,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely for the implementation of chapter
19 288, Laws of 2011 (actual student success program), including
20 allocations to the opportunity internship program, the jobs for
21 America's graduates program, the building bridges program, services
22 provided by a college scholarship organization. Funding shall not be
23 used in the 2011-2013 fiscal biennium to provide awards for schools and
24 school districts.

25 (11) \$843,000 of the general fund--state appropriation for fiscal
26 year 2012, \$848,000 of the general fund--state appropriation for fiscal
27 year 2013, and \$247,000 of the education legacy trust account--state
28 appropriation are for administrative support of education reform
29 programs.

30 (12) \$2,000,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$2,000,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for a statewide information
33 technology (IT) academy program. This public-private partnership will
34 provide educational software, as well as IT certification and software
35 training opportunities for students and staff in public schools.

36 (13) \$977,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$977,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely for secondary career and technical

1 education grants pursuant to chapter 170, Laws of 2008. If equally
2 matched by private donations, \$300,000 of the 2012 appropriation and
3 \$300,000 of the 2013 appropriation shall be used to support FIRST
4 robotics programs.

5 (14) \$125,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$125,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for (a) staff at the office of the
8 superintendent of public instruction to coordinate and promote efforts
9 to develop integrated math, science, technology, and engineering
10 programs in schools and districts across the state; and (b) grants of
11 \$2,500 to provide twenty middle and high school teachers each year with
12 professional development training for implementing integrated math,
13 science, technology, and engineering programs in their schools.

14 (15) \$135,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$135,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for science, technology,
17 engineering and mathematics lighthouse projects, consistent with
18 chapter 238, Laws of 2010.

19 (16) \$1,000,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$1,000,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for a beginning educator support
22 program. School districts and/or regional consortia may apply for
23 grant funding. The superintendent shall implement this program in 5 to
24 15 school districts and/or regional consortia. The program provided by
25 a district and/or regional consortia shall include: A paid
26 orientation; assignment of a qualified mentor; development of a
27 professional growth plan for each beginning teacher aligned with
28 professional certification; release time for mentors and new teachers
29 to work together; and teacher observation time with accomplished peers.
30 \$250,000 may be used to provide statewide professional development
31 opportunities for mentors and beginning educators.

32 **NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
33 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

34	General Fund--State Appropriation (FY 2012)	\$83,959,000
35	General Fund--State Appropriation (FY 2013)	\$88,580,000
36	General Fund--Federal Appropriation	\$71,001,000
37	TOTAL APPROPRIATION	\$243,540,000

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

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

6 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
7 shall allocate funding to school districts for transitional bilingual
8 programs as provided in RCW 28A.150.260(10)(b). In calculating the
9 allocations, the superintendent shall assume the following averages:

10 (i) Additional instruction of 4.7780 hours per week per transitional
11 bilingual program student; (ii) fifteen transitional bilingual program
12 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
13 instructional hours per teacher; and (v) the district's average staff
14 mix and compensation rates as provided in sections 503 and 504 of this
15 act.

16 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
17 allocate funding to school districts for transitional bilingual
18 instruction programs as provided in section 514, chapter 564, Laws of
19 2009, as amended through section 1411 of this act.

20 (c) The allocations in this section reflect the implementation of
21 a new funding formula for the transitional bilingual instructional
22 program, effective September 1, 2011, as specified in RCW
23 28A.150.260(10)(b).

24 (3) The superintendent may withhold up to 3.0 percent of the school
25 year allocations to school districts in subsection (2) of this section
26 solely for the central provision of assessments as provided in RCW
27 28A.180.090 (1) and (2).

28 (4) The general fund--federal appropriation in this section is for
29 migrant education under Title I Part C and English language
30 acquisition, and language enhancement grants under Title III of the
31 elementary and secondary education act.

32 (5)(a) The office of the superintendent of public instruction shall
33 implement a funding model for the transitional bilingual program,
34 beginning in school year 2012-13, that is scaled to provide more
35 support to students requiring most intensive intervention, (students
36 with beginning levels of English language proficiency) and less support
37 to students requiring less intervention. The funding model shall also

1 provide up to two years of bonus funding upon successful exit from the
2 bilingual program to facilitate successful transition to a standard
3 program of education.

4 (b) It is expected that per-pupil funding for level 2 proficiency
5 will be set at the same level as would have been provided statewide
6 prior to establishing differential per-pupil amounts; level 1 will be
7 125 percent of level 2; level 3 through the level prior to exit will be
8 75 percent of level 2; and two bonus years upon successful
9 demonstration of proficiency will be 100 percent of level 2. Prior to
10 implementing in school year 2012-13, the office of the superintendent
11 of public instruction shall provide to the senate and house of
12 representatives ways and means committees recommended rates based on
13 the results of proficiency test procurement, expressed as both per-
14 pupil rates and hours of instruction as provided in RCW
15 28A.150.260(10)(b).

16 (c) Each bilingual student shall be tested for proficiency level
17 and, therefore, eligibility for the transitional bilingual program each
18 year. The bonus payments for up to two school years following
19 successful exit from the transitional bilingual program shall be
20 allocated to the exiting school district. If the student graduates or
21 transfers to another district prior to the district receiving both
22 years' bonuses, the district shall receive the bonus for only the
23 length of time the student remains enrolled in the exiting district.

24 (d) The quality education council shall examine the revised
25 funding model developed under this subsection and provide a report to
26 the education and fiscal committees of the legislature by December 1,
27 2011, that includes recommendations for:

28 (i) Changing the prototypical school funding formula for the
29 transitional bilingual program to align with the revised model in an
30 accurate and transparent manner;

31 (ii) Reconciling the revised model with statutory requirements for
32 categorical funding of the transitional bilingual instructional program
33 that is restricted to students eligible for and enrolled in that
34 program;

35 (iii) Clarifying the elements of the transitional bilingual
36 instructional program that fall under the definition of basic education
37 and the impact of the revised model on them; and

1 (iv) The extent that the disparate financial impact of the revised
2 model on different school districts should be addressed and options for
3 addressing it.

4 (e) The office of the superintendent of public instruction shall
5 report to the senate and house of representatives ways and means
6 committees and education committees annually by December 31st of each
7 year, through 2018, regarding any measurable changes in proficiency,
8 time-in-program, and transition experience.

9 (6) \$35,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$35,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely to track current and former
12 transitional bilingual program students.

13 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

15	General Fund--State Appropriation (FY 2012)	\$102,104,000
16	General Fund--State Appropriation (FY 2013)	\$102,137,000
17	General Fund--Federal Appropriation	\$581,207,000
18	Education Legacy Trust Account--State Appropriation	\$47,980,000
19	TOTAL APPROPRIATION	\$833,428,000

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

22 (1) The general fund--state appropriations in this section are
23 subject to the following conditions and limitations:

24 (a) The appropriations include such funds as are necessary to
25 complete the school year ending in the fiscal year and for prior fiscal
26 year adjustments.

27 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent
28 shall allocate funding to school districts for learning assistance
29 programs as provided in RCW 28A.150.260(10)(a). In calculating the
30 allocations, the superintendent shall assume the following averages:

31 (A) Additional instruction of 1.51560 hours per week per funded
32 learning assistance program student; (B) fifteen learning assistance
33 program students per teacher; (C) 36 instructional weeks per year; (D)
34 900 instructional hours per teacher; and (E) the district's average
35 staff mix and compensation rates as provided in sections 503 and 504 of
36 this act.

1 (ii) From July 1, 2011, to August 31, 2011, the superintendent
2 shall allocate funding to school districts for learning assistance
3 programs as provided in section 515, chapter 564, Laws of 2009, as
4 amended through section 1412 of this act.

5 (c) A school district's funded students for the learning assistance
6 program shall be the sum of the district's full-time equivalent
7 enrollment in grades K-12 for the prior school year multiplied by the
8 district's percentage of October headcount enrollment in grades K-12
9 eligible for free or reduced price lunch in the prior school year.

10 (2) Allocations made pursuant to subsection (1) of this section
11 shall be adjusted to reflect ineligible applications identified through
12 the annual income verification process required by the national school
13 lunch program, as recommended in the report of the state auditor on the
14 learning assistance program dated February, 2010.

15 (3) The general fund--federal appropriation in this section is
16 provided for Title I Part A allocations of the no child left behind act
17 of 2001.

18 (4) A school district may carry over from one year to the next up
19 to 10 percent of the general fund-state or education legacy trust funds
20 allocated under this program; however, carryover funds shall be
21 expended for the learning assistance program.

22 (5) The office of the superintendent of public instruction shall
23 research and recommend options for an adjustment factor for middle
24 school and high school free and reduced price lunch eligibility
25 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report
26 to the fiscal committees of the legislature by June 1, 2012. For the
27 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

28 **NEW SECTION. Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
29 **INSTRUCTION**

30 (1) Amounts distributed to districts by the superintendent through
31 part V of this act are for allocations purposes only and do not entitle
32 a particular district, district employee, or student to a specific
33 service, beyond what has been expressly provided in statute. Part V of
34 this act restates the requirements of various sections of Title 28A
35 RCW. If any conflict exists, the provisions of Title 28A RCW control
36 unless this act explicitly states that it is providing an enhancement.

1 Any amounts provided in part V of this act in excess of the amounts
2 required by Title 28A RCW provided in statute, are not within the
3 program of basic education.

4 (2) To the maximum extent practicable, when adopting new or revised
5 rules or policies relating to the administration of allocations in part
6 V of this act that result in fiscal impact, the office of the
7 superintendent of public instruction shall attempt to seek legislative
8 approval through the budget request process.

9 (3) Appropriations made in this act to the office of the
10 superintendent of public instruction shall initially be allotted as
11 required by this act. Subsequent allotment modifications shall not
12 include transfers of moneys between sections of this act.

13 NEW SECTION. **Sec. 517.** Pursuant to House Bill No. 1131 (regarding
14 student achievement fund allocations), per-student allocation
15 distributions for school years 2011-12 and 2012-13 are suspended.

(End of part)

PART VI
HIGHER EDUCATION

NEW SECTION. **Sec. 601.** The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) 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. Institutions of higher education shall report personnel data to the department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the department of personnel for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(4) The institutions of higher education receiving state appropriations under sections 605 through 611 of this act shall allot anticipated state and tuition expenditures by budget program and fiscal year.

(5) To the extent permitted by the applicable personnel system rules, and to the extent collectively bargained with represented employees, institutions of higher education are encouraged to achieve the reductions in full-time-equivalent employment and payroll levels necessary to operate within this budget through strategies that will minimize impacts on employees, their families, their communities, and short- and longer-term accomplishment of institutional mission. Institutions are encouraged to utilize strategies such as reduced work-hours per day or week, voluntary leave without pay, and temporary

1 furloughs that enable employees to maintain permanent employment
2 status. Institutions are further encouraged to implement such
3 strategies in ways that will enable employees to maintain full
4 insurance benefits, full retirement service credit, and a living wage.

5 (6)(a) For institutions receiving appropriations in section 605 of
6 this act the only allowable salary increases provided are those with
7 normally occurring promotions and increases related to faculty and
8 staff retention. In fiscal year 2012 and fiscal year 2013, the state
9 board for community and technical colleges may use salary and benefit
10 savings from faculty turnover to provide salary increments and
11 associated benefits for faculty who qualify through professional
12 development and training.

13 (b) For employees under the jurisdiction of chapter 41.56 RCW,
14 salary increases will be in accordance with the applicable collective
15 bargaining agreement. However, an increase shall not be provided to
16 any classified employee whose salary is above the approved salary range
17 maximum for the class to which the employee's position is allocated.

18 (c) For each institution of higher education receiving
19 appropriations under sections 606 through 611 of this act:

20 (i) The only allowable salary increases are those associated with
21 normally occurring promotions and increases related to faculty and
22 staff retention; and

23 (ii) Institutions may provide salary increases from other sources
24 to instructional and research faculty at the universities and The
25 Evergreen State College, exempt professional staff, teaching and
26 research assistants, as classified by the office of financial
27 management, and all other nonclassified staff, but not including
28 employees under RCW 28B.16.015. Any salary increase granted under the
29 authority of this subsection (6)(c)(ii) shall not be included in an
30 institution's salary base for future state funding. It is the intent
31 of the legislature that state general fund support for an institution
32 shall not increase during the current or any future biennium as a
33 result of any salary increases authorized under this subsection
34 (6)(c)(ii).

35 NEW SECTION. **Sec. 602.** (1) Within the funds appropriated in this
36 act, each institution of higher education is expected to enroll and

1 educate at least the following numbers of full-time equivalent state-
2 supported students per academic year:

	2011-12	2012-13
	Annual Average	Annual Average
3		
4		
5		
6		
7	University of Washington	37,162
8	Washington State University	22,228
9	Central Washington University	8,808
10	Eastern Washington University	8,734
11	The Evergreen State College	4,213
12	Western Washington University	11,762
13	State Board for Community &	
14	Technical Colleges	
15	Adult Students	139,237
16	Running Start Students	11,558

17 (2) In achieving or exceeding these enrollment targets, each
18 institution shall seek to:

19 (a) Maintain and to the extent possible increase enrollment
20 opportunities at branch campuses;

21 (b) Maintain and to the extent possible increase enrollment
22 opportunities at university centers and other partnership programs that
23 enable students to earn baccalaureate degrees on community college
24 campuses; and

25 (c) Eliminate and consolidate programs of study for which there is
26 limited student or employer demand, or that are not areas of core
27 academic strength for the institution, particularly when such programs
28 duplicate offerings by other in-state institutions.

29 (3) For purposes of monitoring and reporting statewide enrollment,
30 the University of Washington and Washington State University shall
31 notify the office of financial management of the number of full-time
32 student equivalent enrollments budgeted for each of their campuses.

33 NEW SECTION. **Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

34 (1) For the purposes of chapter 28B.15 RCW, the omnibus

1 appropriations act assumes increases of tuition levels for resident
2 undergraduate students over the amounts charged to resident
3 undergraduate students for the prior year, as follows:

4	University of Washington	16%
5	Washington State University	16%
6	Central Washington University	14%
7	Eastern Washington University	11%
8	The Evergreen State College	14%
9	Western Washington University	16%

10 (2) The governing boards of the state research universities, the
11 state regional universities, and The Evergreen State College may exceed
12 the tuition levels assumed in subsection (1) of this section. However,
13 to the extent that tuition levels exceed the tuition levels assumed in
14 subsection (1) of this section, the institution shall be subject to the
15 conditions and limitations provided in chapter 28B.15 RCW as amended by
16 Engrossed Second Substitute House Bill No. 1795 (higher education
17 opportunity act). In order to facilitate the full implementation of
18 Engrossed Second Substitute House Bill No. 1795 for the 2011-12
19 academic year and thereafter, the institutions of higher education are
20 authorized to adopt tuition levels that are less than, equal to, or
21 greater than the tuition levels assumed in subsection (1) of this
22 section.

23 (3) Each governing board is authorized to increase tuition charges
24 to graduate and professional students, and to nonresident undergraduate
25 students, by amounts judged reasonable and necessary by the governing
26 board.

27 (4) Each governing board is authorized to increase summer quarter
28 or semester tuition fees for resident and nonresident undergraduate,
29 graduate, and professional students pursuant to RCW 28B.15.067.

30 (5) Each governing board is authorized to adopt or increase charges
31 for fee-based, self-sustaining degree programs, credit courses,
32 noncredit workshops and courses, and special contract courses by
33 amounts judged reasonable and necessary by the governing board.

1 (6) Each governing board is authorized to adopt or increase
2 services and activities fees for all categories of students as provided
3 in RCW 28B.15.069.

4 (7) Each governing board is authorized to adopt or increase
5 technology fees as provided in RCW 28B.15.069.

6 (8) Each governing board is authorized to adopt or increase special
7 course and lab fees, and health and counseling fees, to the extent
8 necessary to cover the reasonable and necessary exceptional cost of the
9 course or service.

10 (9) Each governing board is authorized to adopt or increase
11 administrative fees such as, but not limited to, those charged for
12 application, matriculation, special testing, and transcripts by amounts
13 judged reasonable and necessary by the governing board.

14 (10) The state universities, the regional universities, and The
15 Evergreen State College must accept the transfer of college-level
16 courses taken by running start students if a student seeking a transfer
17 of the college-level courses has been admitted to the state university,
18 the regional university, or The Evergreen State College, and if the
19 college-level courses are recognized as transferrable by the admitting
20 institution of higher education.

21 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
22 **COLLEGES**

23 In order to operate within the state funds appropriated in this
24 act, the state board for community and technical colleges and the
25 trustees of the state's community and technical colleges are authorized
26 to adopt and adjust tuition and fees for the 2011-12 and 2012-13
27 academic years as provided in this section:

28 (1) The state board may increase the tuition fees charged to
29 resident undergraduate students by no more than twelve percent over the
30 amounts charged to resident undergraduates during the prior academic
31 year. The board may increase tuition fees under this subsection
32 differentially based on student credit hour load, provided that the
33 overall increase in average tuition revenue per student does not exceed
34 twelve percent each year.

35 (2) The state board may increase the tuition fees charged to
36 resident undergraduates enrolled in upper division applied

1 baccalaureate programs by no more than twelve percent over the amounts
2 charged during the prior academic year.

3 (3) The state board may increase the tuition fees charged to
4 nonresident students by amounts judged reasonable and necessary by the
5 board.

6 (4) The trustees of the technical colleges are authorized to either
7 (a) increase operating fees by no more than the percentage increases
8 authorized for community colleges by the state board; or (b) fully
9 adopt the tuition fee charge schedule adopted by the state board for
10 community colleges.

11 (5) For academic years 2011-2012 and 2012-2013, the trustees of the
12 technical colleges are authorized to increase building fees by an
13 amount judged reasonable in order to progress toward parity with the
14 building fees charged students attending the community colleges.

15 (6) The state board is authorized to increase the maximum allowable
16 services and activities fee as provided in RCW 28B.15.069. The
17 trustees of the community and technical colleges are authorized to
18 increase services and activities fees up to the maximum level
19 authorized by the state board.

20 (7) The trustees of the community and technical colleges are
21 authorized to adopt or increase charges for fee-based, self-sustaining
22 programs such as summer session, international student contracts, and
23 special contract courses by amounts judged reasonable and necessary by
24 the trustees.

25 (8) The trustees of the community and technical colleges are
26 authorized to adopt or increase special course and lab fees to the
27 extent necessary to cover the reasonable and necessary exceptional cost
28 of the course or service.

29 (9) The trustees of the community and technical colleges are
30 authorized to adopt or increase administrative fees such as but not
31 limited to those charged for application, matriculation, special
32 testing, and transcripts by amounts judged reasonable and necessary by
33 the trustees.

34 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
35 **TECHNICAL COLLEGES**

36	General Fund--State Appropriation (FY 2012)	\$533,355,000
37	General Fund--State Appropriation (FY 2013)	\$525,998,000

1 (4) \$4,500,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$4,500,000 of the general fund--state appropriation for
3 fiscal year 2013 is provided solely for worker retraining.

4 (5) Of the amounts appropriated in this section, \$5,000,000 is
5 provided solely for the student achievement initiative.

6 (6) When implementing the appropriations in this section, the state
7 board and the trustees of the individual community and technical
8 colleges shall minimize impact on academic programs, maximize
9 reductions in administration, and shall at least maintain, and endeavor
10 to increase, enrollment opportunities and degree and certificate
11 production in high employer-demand fields of study at their academic
12 year 2008-09 levels.

13 (7) Community and technical colleges are not required to send mass
14 mailings of course catalogs to residents of their districts. Community
15 and technical colleges shall consider lower cost alternatives, such as
16 mailing postcards or brochures that direct individuals to online
17 information and other ways of acquiring print catalogs.

18 (8) Bellevue college is authorized to offer applied baccalaureate
19 degrees in information technology, health care services and management,
20 biotechnology, and preprofessional preparation for medical fields.
21 These degrees shall be directed at high school graduates and transfer-
22 oriented degree and professional and technical degree holders. In
23 fiscal year 2012, Bellevue college will develop a two-year plan for
24 offering these new degrees. The plan will assume funding for these new
25 degrees shall come through redistribution of its current per full-time
26 enrollment funding. The plan shall be delivered to the legislature by
27 June 30, 2012.

28 (9) The Seattle community college district is authorized to offer
29 applied baccalaureate degree programs in business/international
30 business and technology management, interactive and artistic digital
31 media, sustainability, building science technology, and allied and
32 global health. These degrees shall be directed at high school
33 graduates and professional and technical degree holders. In fiscal
34 year 2012, Seattle community colleges shall develop a two-year plan for
35 offering these new degrees. The plan will assume that funding for
36 these new degrees comes through redistribution of its current per full-
37 time enrollment funding. The plan shall be delivered to the
38 legislature by June 30, 2012.

1 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

2	General Fund--State Appropriation (FY 2012)	\$201,471,000
3	General Fund--State Appropriation (FY 2013)	\$206,523,000
4	Education Legacy Trust Account--State Appropriation	\$18,579,000
5	University of Washington Building Account--State	
6	Appropriation	\$239,000
7	Biotoxin Account--State Appropriation	\$450,000
8	Accident Account--State Appropriation	\$6,699,000
9	Medical Aid Account--State Appropriation	\$6,502,000
10	TOTAL APPROPRIATION	\$440,463,000

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

13 (1) In implementing the appropriations in this section, the
14 president and regents shall seek to minimize impacts on student
15 services and instructional programs by maximizing reductions in
16 administration and other noninstructional activities.

17 (2) \$150,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$150,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for the development of integrated
20 medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho
21 (WWAMI) medical education program in Spokane and eastern Washington.
22 Funding is contingent on appropriations being provided to Washington
23 State University for WWAMI program expansion in Spokane and eastern
24 Washington.

25 (3) \$52,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$52,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for the center for international
28 trade in forest products in the college of forest resources.

29 (4) \$88,000 of the general fund--state appropriation for fiscal
30 year 2012 is provided solely for implementation of Engrossed Second
31 Substitute Senate Bill No. 5485 (state's natural resources). If the
32 bill is not enacted by June 30, 2011, the amount provided in this
33 subsection shall lapse.

34 (5) \$143,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$144,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely for the ongoing management of the
37 Washington park arboretum.

1 NEW SECTION. **Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

2 General Fund--State Appropriation (FY 2012) \$134,912,000
3 General Fund--State Appropriation (FY 2013) \$135,389,000
4 Washington State University Building Account--State
5 Appropriation \$5,364,000
6 Education Legacy Trust Account--State Appropriation \$33,065,000
7 TOTAL APPROPRIATION \$308,730,000

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

10 (1) In implementing the appropriations in this section, the
11 president and regents shall seek to minimize impacts on student
12 services and instructional programs by maximizing reductions in
13 administration and other noninstructional activities.

14 (2) Within available funds, Washington State University shall serve
15 an additional cohort of fifteen full-time equivalent students in the
16 mechanical engineering program located at Olympic College.

17 (3) \$300,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$300,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for the expansion of health
20 sciences capacity through the Washington/Wyoming/Alaska/Montana/Idaho
21 (WWAMI) medical education program in Spokane and eastern Washington.
22 Funding is contingent on appropriations being provided to the
23 University of Washington for integrated medical curriculum development
24 for WWAMI.

25 NEW SECTION. **Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

26 General Fund--State Appropriation (FY 2012) \$26,281,000
27 General Fund--State Appropriation (FY 2013) \$26,589,000
28 Education Legacy Trust Account--State Appropriation \$16,087,000
29 TOTAL APPROPRIATION \$68,957,000

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

32 (1) In implementing the appropriations in this section, the
33 president and governing board shall seek to minimize impacts on student
34 services and instructional programs by maximizing reductions in
35 administration and other noninstructional activities.

36 (2) At least \$200,000 of the general fund--state appropriation for

1 fiscal year 2012 and at least \$200,000 of the general fund--state
2 appropriation for fiscal year 2013 shall be expended on the northwest
3 autism center.

4 NEW SECTION. **Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

5	General Fund--State Appropriation (FY 2012)	\$22,492,000
6	General Fund--State Appropriation (FY 2013)	\$22,573,000
7	Education Legacy Trust Account--State Appropriation	\$19,076,000
8	TOTAL APPROPRIATION	\$64,141,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: In implementing the appropriations in this
11 section, the president and governing board shall seek to minimize
12 impacts on student services and instructional programs by maximizing
13 reductions in administration and other noninstructional activities.

14 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

15	General Fund--State Appropriation (FY 2012)	\$15,698,000
16	General Fund--State Appropriation (FY 2013)	\$15,366,000
17	Education Legacy Trust Account--State Appropriation	\$5,450,000
18	TOTAL APPROPRIATION	\$36,514,000

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

21 (1) In implementing the appropriations in this section, the
22 president and governing board shall seek to minimize impacts on student
23 services and instructional programs by maximizing reductions in
24 administration and other noninstructional activities.

25 (2) \$50,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$25,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for the Washington state institute
28 for public policy to conduct a detailed study of the commitment of
29 sexually violent predators to the special commitment center pursuant to
30 chapter 71.09 RCW and the subsequent release of those persons to
31 less-restrictive alternatives.

32 (a) Specifically, the institute's study shall examine:

33 (i) The projected future demand for the special commitment center,
34 including profiles and characteristics of persons referred and
35 committed to the special commitment center since its inception, whether

1 the profiles of those persons have changed over time, and, given
2 current trends, the likelihood of the continuing rate of referral;

3 (ii) Residents' participation in treatment over time and the impact
4 of treatment on eventual release to a less-restrictive alternative;

5 (iii) The annual review process and the process for a committed
6 person to petition for conditional or unconditional release,
7 specifically:

8 (A) The time frames for conducting mandatory reviews;

9 (B) The role of the special commitment center clinical team;

10 (C) Options and standards utilized by other jurisdictions or
11 similar processes to conduct periodic reviews, including specialized
12 courts, parole boards, independent review boards, and other commitment
13 proceedings;

14 (iv) The capacity and future demand for appropriate less
15 restrictive alternatives for moving residents out of the special
16 commitment center, including:

17 (A) The capacity and demand for secure community transition
18 facilities;

19 (B) Options for specialized populations such as the elderly or
20 those with developmental disabilities and whether more cost-efficient
21 options might be used to house those populations while keeping the
22 public safe;

23 (C) Prospects for moving residents to noninstitutionalized settings
24 beyond a secure community transition facility.

25 (b) The department of social and health services shall cooperate
26 with the institute in conducting its examination and must provide the
27 institute with requested data and records in a timely manner.

28 (c) The institute shall provide a status report to the governor and
29 the legislature no later than November 1, 2011, with a final report due
30 no later than November 1, 2012.

31 (3) \$91,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$54,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for the Washington state institute
34 for public policy to design and implement a research study to measure
35 the impact on student achievement of remediation strategies funded by
36 the learning assistance program pursuant to Engrossed Second Substitute
37 House Bill No. 1443 (education reforms). If the bill is not enacted by
38 June 30, 2011, the amounts provided in this subsection shall lapse.

1 (4) \$50,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$50,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the institute for public
4 policy to provide research support to the council on quality education.

5 (5) To the extent federal or private funding is available for this
6 purpose, the Washington state institute for public policy and the
7 center for reinventing public education at the University of Washington
8 shall examine the relationship between participation in pension systems
9 and teacher quality and mobility patterns in the state. The department
10 of retirement systems shall facilitate researchers' access to necessary
11 individual-level data necessary to effectively conduct the study. The
12 researchers shall ensure that no individually identifiable information
13 will be disclosed at any time. An interim report on project findings
14 shall be completed by November 15, 2010, and a final report shall be
15 submitted to the governor and to the relevant committees of the
16 legislature by October 15, 2011.

17 (6) Funding provided in this section is sufficient for The
18 Evergreen State College to continue operations of the Longhouse Center
19 and the Northwest Indian applied research institute.

20 (7) If, and to the extent that private funding is available for
21 this purpose, the Washington state institute for public policy shall
22 study and report on the child welfare and educational characteristics
23 and outcomes for foster youth who are served by educational advocates.
24 The department of social and health services and the office of the
25 superintendent of public instruction shall facilitate researchers'
26 access to data necessary to effectively complete the study. The
27 institute shall submit an interim report with baseline characteristics
28 of youth served by educational advocates by December 2011 and a final
29 report by October 31, 2012, to the governor and to the appropriate
30 committees of the legislature.

31 (8) \$75,000 of the general fund--state appropriation for fiscal
32 year 2012 is provided to the Washington state institute for public
33 policy (WSIPP) to conduct a review of state investments in the family
34 caregiver and support program. Funding for this program is provided by
35 assumed savings from diverting seniors from entering into long-term
36 care medicaid placements by supporting informal caregivers. WSIPP
37 shall work with the department of social and health services to
38 establish and review outcome data for this investment. A preliminary

1 report on the outcomes of the investment into this program is due to
2 the appropriate legislative committees by December 15, 2011, and a
3 final report is due to the appropriate legislative committees by August
4 30, 2012.

5 (9) \$25,000 of the general fund--state appropriation is provided
6 solely for the Washington state institute for public policy to
7 investigate the fiscal and other costs and benefits to state and local
8 governments, and to the people of Washington, arising from the
9 implementation of current state controlled substance policies in
10 Washington, excluding alcohol, tobacco, and pharmaceuticals. A report
11 is due to the legislature by December 1, 2012. The institute may
12 receive funds from outside sources for the purpose of conducting this
13 study. If these funds are not obtained, then the study shall not be
14 undertaken.

15 NEW SECTION. **Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

16	General Fund--State Appropriation (FY 2012)	\$33,709,000
17	General Fund--State Appropriation (FY 2013)	\$33,654,000
18	Education Legacy Trust Account--State Appropriation	\$13,266,000
19	TOTAL APPROPRIATION	\$80,629,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: In implementing the appropriations in this
22 section, the president and governing board shall seek to minimize
23 impacts on student services and instructional programs by maximizing
24 reductions in administration and other noninstructional activities.

25 NEW SECTION. **Sec. 612. FOR THE HIGHER EDUCATION COORDINATING
26 BOARD--POLICY COORDINATION AND ADMINISTRATION**

27	General Fund--State Appropriation (FY 2012)	\$1,041,000
28	General Fund--Federal Appropriation	\$1,976,000
29	TOTAL APPROPRIATION	\$3,017,000

30 The appropriations in this section are subject to the following
31 conditions and limitations: The higher education coordinating board is
32 authorized to increase or establish fees for initial degree
33 authorization, degree authorization renewal, degree authorization
34 reapplication, new program applications, and new site applications
35 pursuant to RCW 28B.85.060.

1 NEW SECTION. **Sec. 613. FOR THE HIGHER EDUCATION COORDINATING**
2 **BOARD--FINANCIAL AID AND GRANT PROGRAMS**

3	General Fund--State Appropriation (FY 2012)	\$217,939,000
4	General Fund--Federal Appropriation	\$6,570,000
5	Opportunity Pathways Account--State Appropriation	\$73,500,000
6	TOTAL APPROPRIATION	\$298,009,000

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

9 (1) \$196,214,000 of the general fund--state appropriation for
10 fiscal year 2012, \$73,500,000 of the opportunity pathways account--
11 state appropriation, and \$740,000 of the general fund--federal
12 appropriation are provided solely for student financial aid payments
13 under the state need grant and the state work study program including
14 up to a four percent administrative allowance for the state work study
15 program.

16 (2)(a) Within the funds appropriated in this section, eligibility
17 for the state need grant shall include students with family incomes at
18 or below 70 percent of the state median family income (MFI), adjusted
19 for family size, and shall include students enrolled in three to five
20 credit-bearing quarter credits, or the equivalent semester credits.
21 The higher education coordinating board shall report to the legislature
22 by December 1, 2013, regarding the number of students enrolled in three
23 to five credit-bearing quarter credits, or the equivalent semester
24 credits, and their academic progress including degree completion.
25 Awards for all students shall be adjusted by the estimated amount by
26 which Pell grant increases exceed projected increases in the
27 noninstructional costs of attendance. Awards for students with incomes
28 between 51 and 70 percent of the state median shall be prorated at the
29 following percentages of the award amount granted to those with incomes
30 below 51 percent of the MFI: 70 percent for students with family
31 incomes between 51 and 55 percent MFI; 65 percent for students with
32 family incomes between 56 and 60 percent MFI; 60 percent for students
33 with family incomes between 61 and 65 percent MFI; and 50 percent for
34 students with family incomes between 66 and 70 percent MFI.

35 (b) Grant awards for students at private four-year colleges shall
36 be set at the same level as the student would receive if attending one
37 of the public regional universities.

1 (3) For fiscal year 2012, the board shall defer loan or conditional
2 scholarship repayments to the future teachers conditional scholarship
3 and loan repayment program for up to one year for each participant if
4 the participant has shown evidence of efforts to find a teaching job
5 but has been unable to secure a teaching job per the requirements of
6 the program.

7 (4) \$1,500,000 of the education legacy trust account--state
8 appropriation is provided solely for the gaining early awareness and
9 readiness for undergraduate programs project.

10 (5) \$500,000 of the general fund--state appropriation for fiscal
11 year 2012 is provided solely for the leadership 1000 program.

12 (6) \$2,436,000 of the general fund--state appropriation for fiscal
13 year 2012 is provided solely for the passport to college program. The
14 maximum scholarship award shall be \$5,000. The board shall contract
15 with a nonprofit organization to provide support services to increase
16 student completion in their postsecondary program and shall, under this
17 contract provide a minimum of \$500,000 in fiscal year 2012.

18 (7) \$250,000 of the general fund--state appropriation for fiscal
19 year 2012 is provided solely for implementation of the aerospace
20 training scholarship and student loan program as specified in Engrossed
21 Substitute House Bill No. 1846 (aerospace student loans). If this bill
22 is not enacted by June 30, 2011, the amount provided in this subsection
23 shall lapse.

24 NEW SECTION. **Sec. 614. FOR THE COUNCIL FOR HIGHER EDUCATION**

25 General Fund--State Appropriation (FY 2013) \$997,000
26 General Fund--Federal Appropriation \$2,377,000
27 TOTAL APPROPRIATION \$3,374,000

28 The appropriations in this section are subject to the following
29 conditions and limitations: The council for higher education is
30 authorized to increase or establish fees for initial degree
31 authorization, degree authorization renewal, degree authorization
32 reapplication, new program applications, and new site applications
33 pursuant to RCW 28B.85.060.

34 NEW SECTION. **Sec. 615. FOR THE OFFICE OF STUDENT FINANCIAL**
35 **ASSISTANCE**

36 General Fund--State Appropriation (FY 2013) \$247,932,000

1 General Fund--Federal Appropriation \$6,557,000
2 Washington Opportunity Pathways Account--State
3 Appropriation \$73,500,000
4 TOTAL APPROPRIATION \$327,989,000

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

7 (1) \$230,889,000 of the general fund--state appropriation for
8 fiscal year 2013, \$73,500,000 of the opportunity pathways account--
9 state appropriation, and \$740,000 of the general fund--federal
10 appropriation are provided solely for student financial aid payments
11 under the state need grant and the state work study program including
12 up to a four percent administrative allowance for the state work study
13 program.

14 (2) Within the funds appropriated in this section, eligibility for
15 the state need grant shall include students with family incomes at or
16 below 70 percent of the state median family income (MFI), adjusted for
17 family size, and shall include students enrolled in three to five
18 credit-bearing quarter credits, or the equivalent semester credits.
19 The office of student financial assistance shall report to the
20 legislature by December 1, 2013, regarding the number of students
21 enrolled in three to five credit-bearing quarter credits, or the
22 equivalent semester credits, and their academic progress including
23 degree completion. Awards for all students shall be adjusted by the
24 estimated amount by which Pell grant increases exceed projected
25 increases in the noninstructional costs of attendance. Awards for
26 students with incomes between 51 and 70 percent of the state median
27 shall be prorated at the following percentages of the award amount
28 granted to those with incomes below 51 percent of the MFI: 70 percent
29 for students with family incomes between 51 and 55 percent MFI; 65
30 percent for students with family incomes between 56 and 60 percent MFI;
31 60 percent for students with family incomes between 61 and 65 percent
32 MFI; and 50 percent for students with family incomes between 66 and 70
33 percent MFI.

34 (3) \$250,000 of the general fund--state appropriation for fiscal
35 year 2013 is provided solely for implementation of the aerospace
36 training scholarship and student loan program as specified in Engrossed
37 Substitute House Bill No. 1846 (aerospace student loans). If this bill

1 is not enacted by June 30, 2011, the amount provided in this subsection
2 shall lapse.

3 (4) For fiscal year 2013, the board shall defer loan or conditional
4 scholarship repayments to the future teachers conditional scholarship
5 and loan repayment program for up to one year for each participant if
6 the participant has shown evidence of efforts to find a teaching job
7 but has been unable to secure a teaching job per the requirements of
8 the program.

9 (5) \$1,000,000 of the education legacy trust account--state
10 appropriation is provided solely for the gaining early awareness and
11 readiness for undergraduate programs project.

12 (6) \$500,000 of the general fund--state appropriation for fiscal
13 year 2013 is provided solely for the leadership 1000 program.

14 (7) \$2,436,000 of the general fund--state appropriation for fiscal
15 year 2013 is provided solely for the passport to college program. The
16 maximum scholarship award shall be \$5,000. The board shall contract
17 with a nonprofit organization to provide support services to increase
18 student completion in their postsecondary program and shall, under this
19 contract provide a minimum of \$500,000 in fiscal year 2013 for this
20 purpose.

21 NEW SECTION. **Sec. 616. FOR THE WORK FORCE TRAINING AND EDUCATION**
22 **COORDINATING BOARD**

23	General Fund--State Appropriation (FY 2012)	\$1,382,000
24	General Fund--State Appropriation (FY 2013)	\$1,388,000
25	General Fund--Federal Appropriation	\$62,758,000
26	TOTAL APPROPRIATION	\$65,528,000

27 The appropriations in this section are subject to the following
28 conditions and limitations: For the 2011-2013 fiscal biennium the
29 board shall not designate recipients of the Washington award for
30 vocational excellence or recognize them at award ceremonies as provided
31 in RCW 28C.04.535.

32 NEW SECTION. **Sec. 617. FOR THE DEPARTMENT OF EARLY LEARNING**

33	General Fund--State Appropriation (FY 2012)	\$27,570,000
34	General Fund--State Appropriation (FY 2013)	\$27,557,000
35	General Fund--Federal Appropriation	\$253,530,000
36	Opportunity Pathways Account--State Appropriation	\$80,000,000

1 TOTAL APPROPRIATION \$388,657,000

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

4 (1) \$16,028,000 of the general fund--state appropriation for fiscal
5 year 2012, \$16,028,000 of the general fund--state appropriation of
6 fiscal year 2013, \$80,000,000 of the opportunity pathways account
7 appropriation, and \$2,256,000 of the general fund--federal
8 appropriation are provided solely for the early childhood education
9 assistance program services. Of these amounts, \$10,284,000 is a
10 portion of the biennial amount of state maintenance of effort dollars
11 required to receive federal child care and development fund grant
12 dollars.

13 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the
14 department is authorized to increase child care center and child care
15 family home licensure fees in fiscal years 2012 and 2013 for costs to
16 the department for the licensure activity, including costs of necessary
17 inspection. These increases are necessary to support expenditures
18 authorized in this section.

19 (3) \$638,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$638,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for child care resource and
22 referral network services.

23 (4) \$200,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$200,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely to develop and provide culturally
26 relevant supports for parents, family, and other caregivers.

27 (5) The department is the lead agency for and recipient of the
28 federal child care and development fund grant. Amounts within this
29 grant shall be used to fund child care licensing, quality initiatives,
30 agency administration, and other costs associated with child care
31 subsidies. The department shall transfer a portion of this grant to
32 the department of social and health services to fund the child care
33 subsidies paid by the department of social and health services on
34 behalf of the department of early learning.

35 (6) The appropriations in this section reflect reductions in the
36 appropriations for the department's administrative expenses. It is the
37 intent of the legislature that these reductions shall be achieved, to

1 the greatest extent possible, by reducing those administrative costs
2 that do not affect direct client services or direct service delivery or
3 program.

4 (7) The department may not adopt, enforce, or implement any rules
5 or policies restricting the eligibility of consumers for the child care
6 subsidy benefits to a countable income below one hundred seventy-five
7 percent of the federal poverty guidelines.

8 (8) \$934,000 of the general fund--state appropriation for fiscal
9 year 2012, \$934,000 of the general fund--state appropriation for fiscal
10 year 2013, and \$2,400,000 of the general fund--federal appropriation
11 are provided solely for expenditure into the home visiting services
12 account. This funding is intended to meet federal maintenance of
13 effort requirements and to secure private matching funds.

14 (9) In addition to groups that were given prioritized access to the
15 working connections child care program effective March 1, 2011, the
16 department shall also give prioritized access into the program to
17 families in which a parent of a child in care is a minor who is not
18 living with a parent or guardian and who is a full-time student in a
19 high school that has a school-sponsored on-site child care center.

20 (10) Within available amounts, the department in consultation with
21 the office of financial management and the department of social and
22 health services shall report quarterly enrollments and active caseload
23 for the working connections child care program to the legislative
24 fiscal committees. The report shall also identify the number of cases
25 participating in both temporary assistance for needy families and
26 working connections child care.

27 (11) The department is encouraged to work with the legislative-
28 executive task force established in Engrossed Substitute Senate Bill
29 No. 5921 (social services programs) to implement a working child care
30 copayment structure that gradually increases copayments based on
31 income, household size, and other factors. The copayment structure
32 should not lead to an excessive administrative burden for providers,
33 parents or the state, and is revenue neutral to the state.

34 (12) \$2,522,000 of the general fund--state appropriation for fiscal
35 year 2012, \$2,522,000 of the general fund--state appropriation for
36 fiscal year 2013, and \$4,304,000 of the general fund--federal
37 appropriation are provided solely for the medicaid treatment child care
38 (MTCC) program. The department shall contract for MTCC services to

1 provide therapeutic child care and other specialized treatment services
2 to abused, neglected, at-risk, and/or drug-affected children. Priority
3 for services shall be given to children referred from the department of
4 social and health services children's administration. In addition to
5 referrals made by children's administration, the department shall
6 authorize services for children referred to the MTCC program, as long
7 as the children meet the eligibility requirements as outlined in the
8 Washington state plan for the MTCC program. Of the amounts
9 appropriated in this subsection, \$60,000 per fiscal year may be used by
10 the department for administering the MTCC program, if needed.

11 NEW SECTION. **Sec. 618. FOR THE STATE SCHOOL FOR THE BLIND**

12	General Fund--State Appropriation (FY 2012)	\$5,780,000
13	General Fund--State Appropriation (FY 2013)	\$5,746,000
14	General Fund--Private/Local Appropriation	\$1,961,000
15	TOTAL APPROPRIATION	\$13,487,000

16 The appropriations in this section are subject to the following
17 conditions and limitations: \$271,000 of the general fund--
18 private/local appropriation is provided solely for the school for the
19 blind to offer short course programs, allowing students the opportunity
20 to leave their home schools for short periods and receive intensive
21 training. The school for the blind shall provide this service to the
22 extent that it is funded by contracts with school districts and
23 educational services districts.

24 NEW SECTION. **Sec. 619. FOR THE WASHINGTON STATE CENTER FOR**
25 **CHILDHOOD DEAFNESS AND HEARING LOSS**

26	General Fund--State Appropriation (FY 2012)	\$8,451,000
27	General Fund--State Appropriation (FY 2013)	\$8,449,000
28	General Fund--Private/Local Appropriation	\$526,000
29	TOTAL APPROPRIATION	\$17,426,000

30 NEW SECTION. **Sec. 620. FOR THE WASHINGTON STATE ARTS COMMISSION**

31	General Fund--Federal Appropriation	\$1,961,000
32	General Fund--Private/Local Appropriation	\$1,056,000
33	Washington State Heritage Center Account--State	
34	Appropriation	\$2,213,000
35	TOTAL APPROPRIATION	\$5,230,000

1 NEW __ SECTION. **Sec. 621. FOR THE WASHINGTON STATE HISTORICAL**
2 **SOCIETY**

3 Washington State Heritage Center Account--State
4 Appropriation \$4,249,000

5 NEW __ SECTION. **Sec. 622. FOR THE EASTERN WASHINGTON STATE**
6 **HISTORICAL SOCIETY**

7 Washington State Heritage Center Account--State
8 Appropriation \$2,965,000

(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 2012)	\$924,047,000
General Fund--State Appropriation (FY 2013)	\$981,486,000
State Building Construction Account--State Appropriation	\$1,589,000
Columbia River Basin Water Supply Development Account--State Appropriation	\$73,000
Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation	\$6,000
State Taxable Building Construction Account--State Appropriation	\$345,000
Gardner-Evans Higher Education Construction Account--State Appropriation	\$1,000
Debt-Limit Reimbursable Bond Retire Account--State Appropriation	\$2,300,000
TOTAL APPROPRIATION	\$1,909,847,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

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

Accident Account--State Appropriation	\$4,110,000
Medical Aid Account--State Appropriation	\$4,110,000
TOTAL APPROPRIATION	\$8,220,000

NEW SECTION. Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT

1 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
2 **GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

3	General Fund--State Appropriation (FY 2012)	\$27,516,000
4	General Fund--State Appropriation (FY 2013)	\$30,758,000
5	Nondebt-Limit Reimbursable Bond Retirement	
6	Account--State Appropriation	\$140,417,000
7	TOTAL APPROPRIATION	\$198,691,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: The general fund appropriation is for
10 expenditure into the nondebt-limit general fund bond retirement
11 account. The entire general fund--state appropriation for fiscal year
12 2012 shall be expended into the nondebt-limit general fund bond
13 retirement account by June 30, 2012.

14 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
15 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
16 **BOND SALE EXPENSES**

17	General Fund--State Appropriation (FY 2012)	\$1,357,000
18	General Fund--State Appropriation (FY 2013)	\$1,357,000
19	State Building Construction Account--State	
20	Appropriation	\$1,273,000
21	Columbia River Basin Water Supply Development	
22	Account--State Appropriation	\$12,000
23	Hood Canal Aquatic Rehabilitation Bond Account--State	
24	Appropriation	\$1,000
25	State Taxable Building Construction Account--State	
26	Appropriation	\$55,000
27	Gardner-Evans Higher Education Construction	
28	Account--State Appropriation	\$1,000
29	TOTAL APPROPRIATION	\$4,056,000

30 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
31 **FIRE CONTINGENCY**

32	General Fund--State Appropriation (FY 2012)	\$4,000,000
33	General Fund--State Appropriation (FY 2013)	\$4,000,000
34	TOTAL APPROPRIATION	\$8,000,000

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

1 expenditure into the disaster response account to be used for any
2 Washington state fire service resource mobilization costs incurred by
3 the Washington state patrol in response to an emergency or disaster
4 authorized under RCW 43.43.960 and 43.43.964.

5 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
6 **DISASTER RESPONSE ACCOUNT**

7	General Fund--State Appropriation (FY 2012)	\$14,575,000
8	General Fund--State Appropriation (FY 2013)	\$75,000
9	TOTAL APPROPRIATION	\$14,650,000

10 The appropriations in this section are subject to the following
11 conditions and limitations: The appropriations are provided solely for
12 expenditure into the disaster response account. \$5,000,000 of the
13 appropriation is provided for emergency fire suppression by the
14 department of natural resources.

15 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
16 **EMERGENCY FUND**

17	General Fund--State Appropriation (FY 2012)	\$850,000
18	General Fund--State Appropriation (FY 2013)	\$850,000
19	TOTAL APPROPRIATION	\$1,700,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: The appropriations in this section are for
22 the governor's emergency fund for the critically necessary work of any
23 agency.

24 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
25 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

26	General Fund--State Appropriation (FY 2012)	\$8,000,000
27	General Fund--State Appropriation (FY 2013)	\$8,000,000
28	TOTAL APPROPRIATION	\$16,000,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: The appropriations in this section are
31 provided solely for expenditure into the education technology revolving
32 account for the purpose of covering ongoing operational and equipment
33 replacement costs incurred by the K-20 educational network program in
34 providing telecommunication services to network participants.

1 NEW SECTION. **Sec. 709. INCENTIVE SAVINGS--FY 2012**

2 The sum of one hundred twenty-five million dollars or so much
3 thereof as may be available on June 30, 2012, from the total amount of
4 unspent fiscal year 2012 state general fund appropriations, exclusive
5 of amounts expressly placed into unallotted status by this act, is
6 appropriated for the purposes of RCW 43.79.460 in the manner provided
7 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 one hundred
14 million dollars, is appropriated to the education savings account.

15 NEW SECTION. **Sec. 710. INCENTIVE SAVINGS--FY 2013**

16 The sum of one hundred twenty-five million dollars or so much
17 thereof as may be available on June 30, 2013, from the total amount of
18 unspent fiscal year 2013 state general fund appropriations, exclusive
19 of amounts expressly placed into unallotted status by this act, is
20 appropriated for the purposes of RCW 43.79.460 in the manner provided
21 in this section.

22 (1) Of the total appropriated amount, one-half of that portion that
23 is attributable to incentive savings, not to exceed twenty-five million
24 dollars, is appropriated to the savings incentive account for the
25 purpose of improving the quality, efficiency, and effectiveness of
26 agency services, and credited to the agency that generated the savings.

27 (2) The remainder of the total amount, not to exceed one hundred
28 million dollars, is appropriated to the education savings account.

29 NEW SECTION. **Sec. 711. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
30 **O'BRIEN BUILDING IMPROVEMENT**

31	General Fund--State Appropriation (FY 2012)	\$2,846,000
32	General Fund--State Appropriation (FY 2013)	\$2,950,000
33	TOTAL APPROPRIATION	\$5,796,000

34 The appropriations in this section are subject to the following
35 conditions and limitations: The appropriations are provided solely for
36 expenditure into the general administration services account for

1 payment of principal, interest, and financing expenses associated with
 2 the certificate of participation for the O'Brien building improvement,
 3 project number 20081007.

4 NEW SECTION. **Sec. 712. FOR THE DEPARTMENT OF HEALTH--COUNTY**
 5 **PUBLIC HEALTH ASSISTANCE**

6	General Fund--State Appropriation (FY 2012)	\$24,000,000
7	General Fund--State Appropriation (FY 2013)	\$24,000,000
8	TOTAL APPROPRIATION	\$48,000,000

9 The appropriations in this section are subject to the following
 10 conditions and limitations: The director of the department of health
 11 shall distribute the appropriations to the following counties and
 12 health districts in the amounts designated to support public health
 13 services, including public health nursing:

15	Health District	FY 2012	FY 2013	FY 2011-13
16				Biennium
17	Adams County Health District	\$30,951	\$30,951	\$61,902
18	Asotin County Health District	\$67,714	\$67,714	\$135,428
19	Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
20	Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522
21	Clallam County Health and Human Services	\$141,752	\$141,752	\$283,504
22	Department			
23	Clark County Health District	\$1,057,792	\$1,057,792	\$2,115,594
24	Skamania County Health Department	\$26,681	\$26,681	\$53,362
25	Columbia County Health District	\$40,529	\$40,529	\$81,058
26	Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
27	Garfield County Health District	\$15,028	\$15,028	\$30,056
28	Grant County Health District	\$118,595	\$118,596	\$237,191
29	Grays Harbor Health Department	\$183,870	\$183,870	\$367,740
30	Island County Health Department	\$91,892	\$91,892	\$183,784
31	Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
32	Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
33	Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
34	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
35	Klickitat County Health Department	\$62,402	\$62,402	\$124,804

1	Lewis County Health Department	\$105,801	\$105,801	\$211,602
2	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
3	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
4	Okanogan County Health District	\$63,458	\$63,458	\$126,916
5	Pacific County Health Department	\$77,427	\$77,427	\$154,854
6	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
7	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
8	Skagit County Health Department	\$223,927	\$223,927	\$447,854
9	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
10	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
11	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
12	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
13	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
14	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
15	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
16	Whitman County Health Department	\$78,733	\$78,733	\$157,466
17	Yakima Health District	\$623,797	\$623,797	\$1,247,594
18	TOTAL APPROPRIATIONS	\$24,000,000	\$24,000,000	\$48,000,000

19 NEW SECTION. **Sec. 713. FOR THE DEPARTMENT OF RETIREMENT**
20 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

21 The appropriations in this section are subject to the following
22 conditions and limitations: The appropriations for the law enforcement
23 officers' and firefighters' retirement system shall be made on a
24 monthly basis beginning July 1, 2011, consistent with chapter 41.45
25 RCW, and the appropriations for the judges and judicial retirement
26 systems shall be made on a quarterly basis consistent with chapters
27 2.10 and 2.12 RCW.

28 (1) There is appropriated for state contributions to the law
29 enforcement officers' and firefighters' retirement system:

30	General Fund--State Appropriation (FY 2012)	\$54,547,000
31	General Fund--State Appropriation (FY 2013)	\$56,729,000
32	TOTAL APPROPRIATION	\$111,276,000

33 (2) There is appropriated for contributions to the judicial
34 retirement system:

35	General Fund--State Appropriation (FY 2012)	\$9,100,000
36	General Fund--State Appropriation (FY 2013)	\$13,100,000
37	TOTAL APPROPRIATION	\$22,200,000

1 NEW SECTION. **Sec. 714. BELATED CLAIMS**

2 The agencies and institutions of the state may expend moneys
3 appropriated in this act, upon approval of the office of financial
4 management, for the payment of supplies and services furnished to the
5 agency or institution in prior fiscal biennia.

6 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
7 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

8 General Fund--State Appropriation (FY 2012) \$591,000

9 The appropriation in this section is subject to the following
10 conditions and limitations: The director of financial management shall
11 distribute \$338,000 to Franklin county, \$128,000 to Jefferson county,
12 and \$125,000 to Okanogan county for extraordinary criminal justice
13 costs.

14 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
15 **AGENCY REALLOCATION AND REALIGNMENT COMMISSION**

16 General Fund--State Appropriation (FY 2012) \$100,000

17 The appropriation in this section is subject to the following
18 conditions and limitations:

19 (1) The agency reallocation and realignment of Washington (ARROW)
20 commission on restructuring state government is established, with
21 members as provided in this section.

22 (a) The governor, the president of the senate, and the speaker of
23 the house of representatives shall each appoint two members to the
24 commission, each of whom shall have broad statewide policy and fiscal
25 experience. Each appointing authority shall appoint a member to
26 replace any member who resigns.

27 (b) The commission shall choose its chair from among its membership
28 or may select a representative of the administering higher education
29 institution as chair. The president of the senate and the speaker of
30 the house, or their mutually selected designee, shall convene the
31 initial meeting of the commission and shall preside until a chair is
32 chosen.

33 (2) The commission shall:

34 (a) Review budget, revenue, and caseload forecasts and estimates
35 over the ensuing six-year period;

1 (b) Examine current operations and organization of state
2 government, assuming no expansion of current funding sources; and

3 (c) Evaluate operational and organizational restructuring
4 possibilities to find cost savings and efficiencies in order to
5 maintain or enhance governmental functions with fewer resources.

6 (3) The commission may make proposals to:

7 (a) Adopt methods and procedures for reducing expenditures to the
8 lowest amount consistent with the efficient performance of essential
9 services, activities, and functions;

10 (b) Eliminate duplication and overlapping of services, activities,
11 and functions, and time-consuming or wasteful practices;

12 (c) Consolidate services, activities, and functions of a similar
13 nature;

14 (d) Abolish services, activities, and functions to improve the
15 efficient operation of government;

16 (e) Eliminate state departments and agencies, create new state
17 departments and agencies, reorganize existing state departments and
18 agencies, and transfer functions and responsibilities among state
19 departments and agencies;

20 (f) Define or redefine the duties and responsibilities of state
21 officers; and

22 (g) Revise present provisions for continuing appropriations of
23 state funds of whatever kind for whatever purpose, eliminate any such
24 existing provisions, or adopt new provisions.

25 (4) Staffing and administrative support to the commission shall be
26 provided by a university or college that volunteers to do so.

27 (5) Commissioners are entitled to be reimbursed for travel expenses
28 in accordance with RCW 43.03.050 and 43.03.060 from funds appropriated
29 to the commission.

30 (6) The expenses of the commission shall be paid out of funds
31 appropriated to the commission, funds made available by the university
32 or college administering the commission, and gifts, grants, and
33 donations.

34 (7) The commission shall report its findings and recommendations,
35 including proposed legislation, to the appropriate committees of the
36 legislature. Recommendations may be in bill form as proposed
37 legislation, as appropriations or revenue proposals, revisions to
38 administrative rules, or other appropriate formats.

1 (8) The office of the code reviser shall assist the commission with
2 bill drafting as needed.

3 (9) This section expires June 30, 2012.

4 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
5 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

6	General Fund--State Appropriation (FY 2012)	\$5,487,000
7	General Fund--State Appropriation (FY 2013)	\$5,487,000
8	TOTAL APPROPRIATION . . . . .	.\$10,974,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The appropriations in this section are
11 provided solely for expenditure into the cleanup settlement account on
12 July 1, 2011, and July 1, 2012, as repayment of moneys that were
13 transferred to the state efficiency and restructuring account.

14 NEW SECTION. **Sec. 718.** A new section is added to 2011 c 367
15 (uncodified) to read as follows:

16 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEES--**
17 **RETIREMENT SYSTEM CONTRIBUTIONS**

18	Dedicated Funds and Accounts Appropriation\$148,000
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19 The appropriation in this section is subject to the following
20 conditions and limitations:

21 (1) The appropriation in this section is provided solely to
22 increase agency and institution appropriations in accordance with the
23 schedules in LEAP Transportation Document C-AFS dated May 22, 2011,
24 which is hereby incorporated by reference. The office of financial
25 management shall allocate the moneys appropriated in this section in
26 the amounts specified and adjust appropriation schedules accordingly.

27 (2) The appropriation in this section reflects additional
28 retirement system contributions resulting from House Bill No. 2070
29 (average final compensation). If the bill is not enacted by June 30,
30 2011, the amounts provided in this section shall lapse.

31 NEW SECTION. **Sec. 719.** A new section is added to 2011 c 367
32 (uncodified) to read as follows:

33 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEES--**
34 **RETIREMENT SYSTEM CONTRIBUTIONS**

35	Dedicated Funds and Accounts Appropriation	(\$64,000)
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1 The appropriation in this section is subject to the following
2 conditions and limitations:

3 (1) The appropriation in this section is provided solely to reduce
4 agency and institution appropriations in accordance with the schedules
5 in LEAP Transportation Document C-RTA dated May 22, 2011, which is
6 hereby incorporated by reference. The office of financial management
7 shall allocate the moneys appropriated in this section in the amounts
8 specified and adjust appropriation schedules accordingly.

9 (2) The appropriation in this section reflects reduced retirement
10 system contributions resulting from Substitute Bill No. 1981 (higher
11 education retirement plans and postretirement employment). If the bill
12 is not enacted by June 30, 2011, this section shall not take effect.

13 NEW SECTION. **Sec. 720.** A new section is added to 2011 c 367
14 (uncodified) to read as follows:

15 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEE SALARY**
16 **REDUCTIONS**

17 Dedicated Funds and Accounts Appropriation (\$17,856,000)

18 The appropriation in this section is solely for the purposes
19 designated in this section and is subject to the following conditions
20 and limitations:

21 (1) The appropriation in this section is provided solely to reduce
22 agency appropriations in the transportation appropriations act to
23 reflect savings associated with a 3.0 percent salary reduction for
24 state employees as provided in Substitute Senate Bill No. 5860 (state
25 government employee compensation).

26 (2) The appropriation from dedicated funds and accounts shall be
27 made in the amounts specified and from the dedicated funds and accounts
28 specified in LEAP Transportation Document C-GLK dated May 22, 2011,
29 which is hereby incorporated by reference. The office of financial
30 management shall allocate the moneys appropriated in this section in
31 the amounts specified and to the state agencies specified in LEAP
32 Transportation Document C-GLK and adjust appropriation schedules
33 accordingly. The office of financial management shall make any further
34 allotment adjustments necessary to reflect agency mergers or
35 consolidations assumed in this act.

1 The appropriation in this section is subject to the following
2 conditions and limitations: The appropriation is provided solely for
3 expenditure into the transitional housing operating and rent account.

4 NEW SECTION. **Sec. 724. COMPENSATION--RETIRED SCHOOL EMPLOYEES--**
5 **INSURANCE BENEFITS**

6	General Fund--State Appropriation (FY 2012)	\$1,332,000
7	General Fund--State Appropriation (FY 2013)	\$1,332,000
8	TOTAL APPROPRIATION	\$2,664,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The appropriations are provided solely for
11 deposit into the public employees' and retirees' insurance account to
12 offset the cost of providing monthly subsidies for retired teachers
13 pursuant to Substitute Senate Bill No. 5846 (health benefit subsidies).
14 If the bill is not enacted by June 30, 2011, the appropriations shall
15 lapse.

16 NEW SECTION. **Sec. 725. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
17 **INDUSTRIAL INSURANCE SAVINGS**

18 From the appropriations in this act, the office of financial
19 management shall reduce general fund--state allotments for fiscal year
20 2012 by \$3,014,000 and for fiscal year 2013 by \$3,015,000 to reflect
21 savings in the industrial insurance costs of state agencies resulting
22 from the implementation of House Bill No. 2123 (workers' compensation
23 system). The allotment reductions shall be placed in reserve status
24 and remain unexpended. If the bill is not enacted by June 30, 2011,
25 this section shall not take effect.

26 NEW SECTION. **Sec. 726. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
27 **VEHICLE LICENSE FRAUD ACCOUNT**

28	General Fund--State Appropriation (FY 2012)	\$100,000
29	General Fund--State Appropriation (FY 2013)	\$100,000
30	TOTAL APPROPRIATION	\$200,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: The appropriations in this section are
33 provided solely for expenditure into the vehicle license fraud account.

(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 (\$8,368,000), General Fund Appropriation for public utility district excise tax distributions (\$49,418,000), General Fund Appropriation for prosecuting attorney distributions (\$6,281,000), General Fund Appropriation for boating safety and education distributions (\$4,000,000), General Fund Appropriation for other tax distributions (\$58,000), General Fund Appropriation for habitat conservation program distributions (\$3,000,000), Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$2,960,000), Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$160,000), Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$40,421,000), County Criminal Justice Assistance Appropriation (\$69,801,000), Municipal Criminal Justice Assistance Appropriation (\$26,950,000), City-County Assistance Account Appropriation for local government financial assistance distribution (\$16,589,000), Liquor Excise Tax Account Appropriation for liquor excise tax distribution (\$52,152,000), Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes (\$49,635,000), Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation (\$7,441,000), Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians (\$4,748,000).

1 Liquor Revolving Account Appropriation for liquor
2 profits distribution \$69,318,000
3 TOTAL APPROPRIATION \$411,301,000

4 The total expenditures from the state treasury under the
5 appropriations in this section shall not exceed the funds available
6 under statutory distributions for the stated purposes.

7 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
8 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

9 Impaired Driver Safety Account Appropriation \$2,501,000

10 The appropriation in this section is subject to the following
11 conditions and limitations: The amount appropriated in this section
12 shall be distributed quarterly during the 2011-2013 fiscal biennium in
13 accordance with RCW 82.14.310. This funding is provided to counties
14 for the costs of implementing criminal justice legislation including,
15 but not limited to: Chapter 206, Laws of 1998 (drunk driving
16 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
17 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
18 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
19 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
20 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
21 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
22 215, Laws of 1998 (DUI provisions).

23 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--MUNICIPAL**
24 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

25 Impaired Driver Safety Account Appropriation \$1,666,000

26 The appropriation in this section is subject to the following
27 conditions and limitations: The amount appropriated in this section
28 shall be distributed quarterly during the 2011-2013 biennium to all
29 cities ratably based on population as last determined by the office of
30 financial management. The distributions to any city that substantially
31 decriminalizes or repeals its criminal code after July 1, 1990, and
32 that does not reimburse the county for costs associated with criminal
33 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
34 which the city is located. This funding is provided to cities for the
35 costs of implementing criminal justice legislation including, but not

1 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
2 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
3 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
4 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
5 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
6 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
7 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
8 Laws of 1998 (DUI provisions).

9 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**
10 **FOR DISTRIBUTION**

11 General Fund Appropriation for federal flood control
12 funds distribution \$74,000
13 General Fund Appropriation for federal grazing fees
14 distribution \$2,430,000
15 Forest Reserve Fund Appropriation for federal forest
16 reserve fund distribution \$29,175,000
17 TOTAL APPROPRIATION \$31,679,000

18 The total expenditures from the state treasury under the
19 appropriations in this section shall not exceed the funds available
20 under statutory distributions for the stated purposes.

21 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

22 State Treasurer's Service Account: For transfer to
23 the state general fund, \$10,000,000 for fiscal
24 year 2012 and \$15,000,000 for fiscal year 2013 \$25,000,000
25 Waste Reduction, Recycling, and Litter Control
26 Account: For transfer to the state general
27 fund, \$3,500,000 for fiscal year 2012 and
28 \$3,500,000 for fiscal year 2013 \$7,000,000
29 Aquatics Lands Enhancement Account: For transfer to
30 the state general fund, \$3,500,000 for fiscal
31 year 2012 and \$3,500,000 for fiscal year 2013 \$7,000,000
32 Drinking Water Assistance Account: For transfer to
33 the drinking water assistance repayment account \$38,000,000
34 Economic Development Strategic Reserve Account: For
35 transfer to the state general fund, \$2,100,000
36 for fiscal year 2012 and \$2,100,000 for fiscal

1 year 2013 \$4,200,000
2 General Fund: For transfer to the streamlined sales
3 and use tax account, \$24,846,000 for fiscal year
4 2012 and \$24,789,000 for fiscal year 2013 \$49,635,000
5 Public Works Assistance Account: For transfer to the
6 water pollution control revolving account,
7 \$7,750,000 for fiscal year 2012 and \$7,750,000 for
8 fiscal year 2013 \$15,500,000
9 The Charitable, Educational, Penal, and Reformatory
10 Institutions Account: For transfer to the state
11 general fund, \$4,500,000 for fiscal year 2012 and
12 \$4,500,000 for fiscal year 2013 \$9,000,000
13 Thurston County Capital Facilities Account: For
14 transfer to the state general fund, \$4,000,000
15 for fiscal year 2012 and \$4,000,000 for fiscal
16 year 2013 \$8,000,000
17 Public Works Assistance Account: For transfer to the
18 drinking water assistance account, \$10,000,000 for
19 fiscal year 2012 and \$5,000,000 for fiscal year
20 2013 \$15,000,000
21 Liquor Control Board Construction and Maintenance
22 Account: For transfer to the state general fund,
23 \$500,000 for fiscal year 2012 and \$500,000 for
24 fiscal year 2013 \$1,000,000
25 Education Savings Account: For transfer to the state
26 general fund, \$22,500,000 for fiscal year 2012
27 and \$22,500,000 for fiscal year 2013 \$45,000,000
28 Department of Retirement Systems Expense Account:
29 For transfer to the state general fund, \$250,000
30 for fiscal year 2012 and \$250,000 for fiscal year
31 2013 \$500,000
32 Education Construction Account: For transfer to the
33 state general fund, \$102,000,000 for fiscal year
34 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000
35 Public Works Assistance Account: For transfer to the
36 state general fund, \$25,000,000 for fiscal year 2012
37 and \$25,000,000 for fiscal year 2013 \$50,000,000
38 Foster Care Endowed Scholarship Trust Fund: For transfer

1 to the state general fund, \$200,000 for fiscal year
2 2012 and \$200,000 for fiscal year 2013 \$400,000
3 Affordable Housing For All Account: For transfer to
4 the home security fund, \$1,000,000 for fiscal year
5 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000
6 Tobacco Settlement Account: For transfer to the state
7 general fund, in an amount not to exceed the actual
8 amount of the annual base payment to the tobacco
9 settlement account \$158,205,000
10 Tobacco Settlement Account: For transfer to the basic
11 health plan stabilization account from the amounts
12 deposited in the account that are attributable to the
13 annual strategic contribution payment received in
14 fiscal year 2012 \$22,000,000
15 Tobacco Settlement Account: For transfer to the basic
16 health plan stabilization account from the amounts
17 deposited in the account that are attributable to the
18 annual strategic contribution payment received in
19 fiscal year 2013 \$22,000,000
20 Tobacco Settlement Account: For transfer to the life
21 sciences discovery fund, in an amount not to exceed
22 the actual remaining amount of the annual strategic
23 contribution payment to the tobacco settlement account
24 for fiscal year 2012 \$6,000,000
25 Tobacco Settlement Account: For transfer to the life
26 sciences discovery fund, in an amount not to exceed
27 the actual remaining amount of the annual strategic
28 contribution payment to the tobacco settlement account
29 for fiscal year 2013 \$6,000,000

30 The transfer to the life sciences discovery fund is subject to the
31 following conditions:

- 32 (1) All new grants awarded during the 2011-2013 fiscal biennium
33 shall support and accelerate the commercialization of an identifiable
34 product;
- 35 (2) Prior to the awarding of new grants, the life sciences
36 discovery fund authority must seek the input of the executive director
37 of the Washington economic development commission;

1 (3) Upon the recommendation of the Washington economic development
2 commission, funds may be used for the recruitment of life sciences
3 researchers who have a history of commercialization of new
4 technologies, to public research institutions in the state;

5 (4) Funds may be used to collaborate and contract with innovate
6 Washington in commercializing life sciences technology and promoting
7 biomedical manufacturing;

8 (5) Funds may be granted to public and private entities for the
9 purpose of leveraging private funds to the highest degree possible.
10 Proposals involving a startup company or corporate participant must be
11 given a higher priority;

12 (6) The life sciences discovery fund authority must develop a
13 payment system that allows both regular payments and payments based on
14 deliverables for the purpose of assisting with initial project costs;
15 and

16 (7) By December 1, 2013, the life sciences discovery fund must
17 report to the fiscal and economic development committees of the
18 legislature on the impact of grant awards on commercialization.

(End of part)

1 NEW SECTION. **Sec. 905. VOLUNTARY RETIREMENT, SEPARATION, AND**
2 **DOWNSHIFTING INCENTIVES**

3 As a management tool to reduce costs and make more effective use of
4 resources, while improving employee productivity and morale, agencies
5 may implement a voluntary retirement, separation, and/or downshifting
6 incentive program that is cost neutral or results in cost savings over
7 a two-year period following the commencement of the program, provided
8 that such a program is approved by the director of financial
9 management. Agencies participating in this authorization may offer
10 voluntary retirement, separation, and/or downshifting incentives and
11 options according to procedures and guidelines established by the
12 office of financial management, in consultation with the department of
13 personnel and the department of retirement systems. The options may
14 include, but are not limited to, financial incentives for: Voluntary
15 separation or retirement, voluntary leave without pay, voluntary work
16 week or work hour reduction, voluntary downward movement, or temporary
17 separation for development purposes. An employee does not have a
18 contractual right to a financial incentive offered pursuant to this
19 section. Offers shall be reviewed and monitored jointly by the
20 department of personnel and the department of retirement systems.
21 Agencies are required to submit a report by June 30, 2013, to the
22 legislature and the office of financial management on the outcome of
23 their approved incentive program. The report should include
24 information on the details of the program including the cost of the
25 incentive per participant, the total cost to the state, and the
26 projected or actual net dollar savings over the 2011-2013 biennium.

27 NEW SECTION. **Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT**
28 **IMPAIRED**

29 Nothing in this act prohibits the expenditure of any funds by an
30 agency or institution of the state for benefits guaranteed by any
31 collective bargaining agreement in effect on the effective date of this
32 section.

33 NEW SECTION. **Sec. 907. COLLECTIVE BARGAINING AGREEMENTS**

34 The following sections represent the results of the 2011-2013
35 collective bargaining process required under the provisions of chapters
36 41.80 and 41.56 RCW. Provisions of the collective bargaining

1 agreements contained in this act are described in general terms. Only
2 major economic terms are included in the descriptions. These
3 descriptions do not contain the complete contents of the agreements.
4 The collective bargaining agreements or the continuation of terms and
5 conditions of the 2009-2011 agreements contained in Part IX of this act
6 may also be funded by expenditures from nonappropriated accounts. If
7 positions are funded with lidded grants or dedicated fund sources with
8 insufficient revenue, additional funding from other sources is not
9 provided.

10 NEW SECTION. **Sec. 908. COLLECTIVE BARGAINING AGREEMENTS--WFSE,**
11 **TEAMSTERS, UFCW, WAFWP, IFPTE 17, COALITION OF UNIONS**

12 Agreements have been reached between the governor and the following
13 unions: Washington federation of state employees, teamsters local
14 union 117, united food and commercial workers, Washington association
15 of fish and wildlife professionals, international federation of
16 professional and technical engineers local 17, and the coalition of
17 unions, under the provisions of chapter 41.80 RCW for the 2011-2013
18 biennium subject to union internal processes/procedures. Funding is
19 reduced to reflect a 3.0 percent temporary salary reduction for all
20 employees whose monthly full-time equivalent salary is \$2,500 or more
21 per month covered under the agreements for fiscal years 2012 and 2013
22 through June 29, 2013. Effective June 30, 2013, the salary schedules
23 effective July 1, 2009, through June 30, 2011 will be reinstated. For
24 employees entitled to leave, temporary salary reduction leave is
25 granted for the term of the 2011-2013 agreement.

26 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENT--SEIU**
27 **HEALTHCARE 1199NW**

28 An agreement has been reached between the governor and the service
29 employees international union healthcare 1199nw under the provisions of
30 chapter 41.80 RCW for the 2011-2013 biennium subject to union internal
31 processes/procedures. Funding is reduced to reflect 8 days of leave
32 without pay per year for fiscal years 2012 and 2013.

33 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENT--TERMS**
34 **AND CONDITIONS**

35 No agreements have been reached between the governor and the

1 following unions: Washington public employees association, Washington
2 public employees association higher education community college
3 coalition, Washington federation of state employees higher education
4 community college coalition, Washington federation of state employees
5 Central Washington University, Washington federation of state employees
6 Western Washington University, Washington federation of state employees
7 The Evergreen State College, and public school employees Western
8 Washington University, under the provisions of chapter 41.80 RCW for
9 the 2011-2013 biennium. Appropriations in this act provide funding to
10 continue the terms and conditions of the 2009-2011 general government
11 and higher education agreements negotiated by the office of financial
12 management's labor relations office under the provisions of chapter
13 41.80 RCW. For fiscal year 2012, appropriations have been reduced in
14 an amount equal to a 3 percent salary reduction for all represented
15 employees whose monthly full-time equivalent salary is \$2,500 or more
16 per month. This reduction will be implemented according to the terms
17 and conditions of the 2009-2011 agreements. For fiscal year 2013,
18 funding is reduced to reflect a 3.0 percent temporary salary reduction
19 for all employees whose monthly full-time equivalent salary is \$2,500
20 or more per month through June 29, 2013. Effective June 30, 2013, the
21 salary schedules effective July 1, 2009, through June 30, 2011, will be
22 reinstated. For employees entitled to leave, temporary salary
23 reduction leave is granted for fiscal year 2013. These changes will be
24 implemented according to law.

25 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT--WSP**
26 **TROOPERS ASSOCIATION**

27 No agreement has been reached between the governor and the
28 Washington state patrol trooper's association under the provisions of
29 chapter 41.56 RCW for the 2011-2013 biennium. Appropriations in this
30 act for the Washington state patrol provide funding to continue the
31 provisions of the 2009-2011 agreement.

32 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--WSP**
33 **LIEUTENANTS ASSOCIATION**

34 No agreement has been reached between the governor and the
35 Washington state patrol lieutenant's association under the provisions

1 of chapter 41.56 RCW for the 2011-2013 biennium. Appropriations in
2 this act for the Washington state patrol provide funding to continue
3 the provisions of the 2009-2011 agreement.

4 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT FOR**
5 **NONSTATE EMPLOYEES--SEIU HEALTHCARE 775NW HOMECARE WORKERS**

6 An agreement has been reached between the governor and the service
7 employees international union healthcare 775nw under chapter 74.39A RCW
8 for the 2011-2013 fiscal biennium, subject to union internal processes
9 and procedures. Appropriations pursuant to sections 205 and 206 of
10 this act reflect the tentative agreement reached on January 6, 2011,
11 and include an increase in the state's health care contributions for
12 individual providers of home care services. Due to policy reductions
13 elsewhere in this act that reduce personal care hours, delay increases
14 to required training, and modify agency parity requirements, no
15 additional appropriation is included for the health care increase.
16 Appropriations in sections 205 and 206 of this act are reduced to
17 reflect a reduced contribution to the training partnership due to the
18 delay in the implementation of increased required training.

19 NEW SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT FOR**
20 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

21 An agreement has been reached between the governor and the service
22 employees international union local 925 under the provisions of chapter
23 41.56 RCW for the 2011-2013 biennium, subject to union internal
24 processes/procedures. Funding for an increase in the state's health
25 care contribution for childcare workers is included in the budget.

26 NEW SECTION. **Sec. 915. COLLECTIVE BARGAINING AGREEMENT FOR**
27 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

28 Appropriations in this act reflect the collective bargaining
29 agreement reached between the governor and the Washington state
30 residential care council under the provisions of chapter 41.56 RCW for
31 the 2011-2013 biennium. For those covered under this agreement,
32 economic provisions are the same as the terms and conditions in the
33 2009-2011 agreement.

34 NEW SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**

1 **WASHINGTON UNIVERSITY PUBLIC SCHOOL EMPLOYEES OF WASHINGTON**

2 An agreement has been reached between Central Washington University
3 and the public school employees of Washington under the provisions of
4 chapter 41.80 RCW for the 2011-2013 biennium subject to union internal
5 processes/procedures. Funding is reduced to reflect a 3.0 percent
6 temporary salary reduction for all employees whose monthly full-time
7 equivalent salary is \$2,500 or more per month for fiscal years 2012 and
8 2013 through June 29, 2013. Effective June 30, 2013, the salary
9 schedules effective July 1, 2009 through June 30, 2011 will be
10 reinstated. For employees entitled to leave temporary salary reduction
11 leave is granted for the term of the 2011-2013 agreement.

12 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT--**
13 **WASHINGTON STATE UNIVERSITY POLICE GUILD**

14 An agreement has been reached between Washington State University
15 and the Washington State University police guild. The financial
16 provisions of the 2009-2011 remain in place for the 2011-2013 biennium.

17 NEW SECTION. **Sec. 918. COLLECTIVE BARGAINING AGREEMENT FOR WFSE**
18 **POLICE MANAGEMENT ASSOCIATION**

19 An agreement has been reached between the University of Washington
20 and the Washington federation of state employees police management
21 association under chapter 41.80 RCW for the 2011-2013 fiscal biennium,
22 subject to union internal processes and procedures. If appropriations
23 in this act require reduced salaries and wages, the agreement can be
24 reopened to negotiate compliance with the requirement.

25 NEW SECTION. **Sec. 919. COLLECTIVE BARGAINING AGREEMENTS--**
26 **UNIVERSITY OF WASHINGTON AND WASHINGTON STATE UNIVERSITY**

27 Appropriations in this act reflect the collective bargaining
28 agreements reached between the University of Washington and the service
29 employees' international union 925 and the Washington federation of
30 state employees and between Washington State University and the
31 Washington federation of state employees. The financial provisions of
32 the 2009-2011 contracts remain in place for the 2011-2013 fiscal
33 biennium. For the contract period 2011-2013, appropriations have been
34 reduced in an amount equal to a temporary three percent salary

1 reduction for all represented employees making \$2,500 or more per
2 month. Reductions will be implemented according to the terms and
3 conditions of the 2011 agreements.

4 NEW SECTION. **Sec. 920. COMPENSATION--NONREPRESENTED EMPLOYEES--**
5 **INSURANCE BENEFITS**

6 Appropriations for state agencies in this act are sufficient for
7 nonrepresented state employee health benefits for state agencies,
8 including institutions of higher education, and are subject to the
9 following conditions and limitations:

10 (1)(a) The monthly employer funding rate for insurance benefit
11 premiums, public employees' benefits board administration, and the
12 uniform medical plan, shall not exceed \$850 per eligible employee for
13 fiscal year 2012. For fiscal year 2013 the monthly employer funding
14 rate shall not exceed \$850 per eligible employee.

15 (b) In order to achieve the level of funding provided for health
16 benefits, the public employees' benefits board shall require any or all
17 of the following: Employee premium copayments, increases in point-of-
18 service cost sharing, the implementation of managed competition, or
19 make other changes to benefits consistent with RCW 41.05.065.

20 (c) The health care authority shall deposit any moneys received on
21 behalf of the uniform medical plan as a result of rebates on
22 prescription drugs, audits of hospitals, subrogation payments, or any
23 other moneys recovered as a result of prior uniform medical plan claims
24 payments, into the public employees' and retirees' insurance account to
25 be used for insurance benefits. Such receipts shall not be used for
26 administrative expenditures.

27 (2) The health care authority, subject to the approval of the
28 public employees' benefits board, shall provide subsidies for health
29 benefit premiums to eligible retired or disabled public employees and
30 school district employees who are eligible for medicare, pursuant to
31 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
32 \$150.00 per month.

33 (3) Technical colleges, school districts, and educational service
34 districts shall remit to the health care authority for deposit into the
35 public employees' and retirees' insurance account established in RCW
36 41.05.120 the following amounts:

1 (a) For each full-time employee, \$66.01 per month beginning
2 September 1, 2011, and \$67.91 beginning September 1, 2012;

3 (b) For each part-time employee, who at the time of the remittance
4 is employed in an eligible position as defined in RCW 41.32.010 or
5 41.40.010 and is eligible for employer fringe benefit contributions for
6 basic benefits, \$66.01 each month beginning September 1, 2011, and
7 \$67.91 beginning September 1, 2012, prorated by the proportion of
8 employer fringe benefit contributions for a full-time employee that the
9 part-time employee receives. The remittance requirements specified in
10 this subsection shall not apply to employees of a technical college,
11 school district, or educational service district who purchase insurance
12 benefits through contracts with the health care authority.

13 NEW SECTION. **Sec. 921. COMPENSATION--REPRESENTED EMPLOYEES**
14 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

15 Appropriations for state agencies in this act are sufficient for
16 represented employees outside the super coalition for health benefits,
17 and 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 \$850 per eligible employee for
21 fiscal year 2012. For fiscal year 2013 the monthly employer funding
22 rate shall not exceed \$850 per eligible employee.

23 (b) In order to achieve the level of funding provided for health
24 benefits, the public employees' benefits board shall require any or all
25 of the following: Employee premium copayments, increases in point-of-
26 service cost sharing, the implementation of managed competition, or
27 make other changes to benefits consistent with RCW 41.05.065.

28 (c) The health care authority shall deposit any moneys received on
29 behalf of the uniform medical plan as a result of rebates on
30 prescription drugs, audits of hospitals, subrogation payments, or any
31 other moneys recovered as a result of prior uniform medical plan claims
32 payments, into the public employees' and retirees' insurance account to
33 be used for insurance benefits. Such receipts shall not be used for
34 administrative expenditures.

35 (2) The health care authority, subject to the approval of the
36 public employees' benefits board, shall provide subsidies for health
37 benefit premiums to eligible retired or disabled public employees and

1 school district employees who are eligible for medicare, pursuant to
2 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
3 \$150.00 per month.

4 (3) Technical colleges, school districts, and educational service
5 districts shall remit to the health care authority for deposit into the
6 public employees' and retirees' insurance account established in RCW
7 41.05.120 the following amounts:

8 (a) For each full-time employee, \$66.01 per month beginning
9 September 1, 2011, and \$67.91 beginning September 1, 2012;

10 (b) For each part-time employee, who at the time of the remittance
11 is employed in an eligible position as defined in RCW 41.32.010 or
12 41.40.010 and is eligible for employer fringe benefit contributions for
13 basic benefits, \$66.01 each month beginning September 1, 2011, and
14 \$67.91 beginning September 1, 2012, prorated by the proportion of
15 employer fringe benefit contributions for a full-time employee that the
16 part-time employee receives. The remittance requirements specified in
17 this subsection shall not apply to employees of a technical college,
18 school district, or educational service district who purchase insurance
19 benefits through contracts with the health care authority.

20 NEW SECTION. **Sec. 922. COMPENSATION--REPRESENTED EMPLOYEES--**
21 **SUPER COALITION--INSURANCE BENEFITS**

22 The collective bargaining agreement negotiated with the super
23 coalition under chapter 41.80 RCW includes employer premiums at 85
24 percent of the total weighted average of the projected health care
25 premiums across all plans and tiers. Appropriations in this act for
26 state agencies, including institutions of higher education are
27 sufficient to fund state employees health benefits for employees
28 represented by the super coalition on health benefits, and are subject
29 to the following conditions and limitations:

30 (1)(a) The monthly employer funding rate for insurance benefit
31 premiums, public employees' benefits board administration, and the
32 uniform medical plan, shall not exceed \$850 per eligible employee for
33 fiscal year 2012. For fiscal year 2013 the monthly employer funding
34 rate shall not exceed \$850 per eligible employee.

35 (b) In order to achieve the level of funding provided for health
36 benefits, the public employees' benefits board shall require any or all

1 of the following: Employee premium copayments, increases in point-of-
2 service cost sharing, the implementation of managed competition, or
3 make other changes to benefits consistent with RCW 41.05.065.

4 (c) The health care authority shall deposit any moneys received on
5 behalf of the uniform medical plan as a result of rebates on
6 prescription drugs, audits of hospitals, subrogation payments, or any
7 other moneys recovered as a result of prior uniform medical plan claims
8 payments, into the public employees' and retirees' insurance account to
9 be used for insurance benefits. Such receipts shall not be used for
10 administrative expenditures.

11 (2) The health care authority, subject to the approval of the
12 public employees' benefits board, shall provide subsidies for health
13 benefit premiums to eligible retired or disabled public employees and
14 school district employees who are eligible for medicare, pursuant to
15 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
16 \$150.00 per month.

17 NEW SECTION. **Sec. 923. COLLECTIVE BARGAINING AGREEMENTS--**
18 **LANGUAGE ACCESS PROVIDERS**

19 If the governor and the Washington federation of state employees
20 reach an agreement under chapter 41.56 RCW for the 2011-2013 fiscal
21 biennium that does not exceed the funding provided in section 213 of
22 this act for spoken language interpreter services, after reserving the
23 requisite amount of that funding for contracts with delivery
24 organizations including foreign language agencies, funding for the
25 agreement shall be considered approved pursuant to RCW 41.56.510(8) and
26 the parties shall execute the agreement.

27 NEW SECTION. **Sec. 924. COLLECTIVE BARGAINING AGREEMENTS**

28 For the collective bargaining agreements negotiated with the state
29 for the 2011-2013 fiscal biennium under chapters 41.56, 41.80, or
30 74.39A RCW, the governor may request funds necessary to implement the
31 terms and conditions of an agreement submitted to the office of
32 financial management after October 1st if that agreement is determined
33 to be feasible financially to the state by the director of financial
34 management.

1 NEW SECTION. **Sec. 925.** (1) All state agencies must track
2 employees trained in performance management, including, but not limited
3 to lean, lean-six-sigma, and the baldrige system. The agencies shall
4 report the number of employees trained in each performance management
5 technique to the government management and accountability performance
6 (GMAP) program.

7 (2) All state agencies shall provide electronic copies of their
8 Washington state quality award or baldrige assessments, feedback
9 reports, and corrective action plans to the government management and
10 accountability performance (GMAP) program, the office of the state
11 auditor, and the joint legislative audit and review committee. These
12 results must be posted on the GMAP web site for use in developing best
13 practices.

14 (3) All state agencies must integrate performance management
15 assessments, including the Washington state quality award assessment
16 into their agency's strategic plan.

17 **Sec. 926.** RCW 15.76.115 and 2011 c 103 s 10 are each amended to
18 read as follows:

19 The fair fund is created in the custody of the state treasury. All
20 moneys received by the department of agriculture for the purposes of
21 this fund and from RCW 67.16.105(7) shall be deposited into the fund.
22 At the beginning of fiscal year 2002 and each fiscal year thereafter,
23 the state treasurer shall transfer into the fair fund from the general
24 fund the sum of two million dollars, except for fiscal year 2011 the
25 state treasurer shall transfer into the fair fund from the general fund
26 the sum of one million one hundred three thousand dollars, and except
27 during fiscal year 2012 and fiscal year 2013 the state treasurer shall
28 transfer into the fair fund from the general fund the sum of one
29 million seven hundred fifty thousand dollars each fiscal year.
30 Expenditures from the fund may be used only for assisting fairs in the
31 manner provided in this chapter. Only the director of agriculture or
32 the director's designee may authorize expenditures from the fund. The
33 fund is subject to allotment procedures under chapter 43.88 RCW, but no
34 appropriation is required for expenditures.

35 **Sec. 927.** RCW 19.30.030 and 1985 c 280 s 3 are each amended to
36 read as follows:

1 (1) The director shall not issue to any person a license to act as
2 a farm labor contractor until:

3 ~~((1))~~ (a) Such person has executed a written application on a
4 form prescribed by the director, subscribed and sworn to by the
5 applicant, and containing ~~((a))~~ (i) a statement by the applicant of
6 all facts required by the director concerning the applicant's
7 character, competency, responsibility, and the manner and method by
8 which he or she proposes to conduct operations as a farm labor
9 contractor if such license is issued, and ~~((b))~~ (ii) the names and
10 addresses of all persons financially interested, either as partners,
11 stockholders, associates, profit sharers, or providers of board or
12 lodging to agricultural employees in the proposed operation as a labor
13 contractor, together with the amount of their respective interests;

14 ~~((2))~~ (b) The director, after investigation, is satisfied as to
15 the character, competency, and responsibility of the applicant;

16 ~~((3))~~ (c) The applicant has paid to the director a license fee
17 of: ~~((1))~~ (i) Thirty-five dollars in the case of a farm labor
18 contractor not engaged in forestation or reforestation, or ~~((2))~~ (ii)
19 one hundred dollars in the case of a farm labor contractor engaged in
20 forestation or reforestation or such other sum as the director finds
21 necessary, and adopts by rule, for the administrative costs of
22 evaluating applications;

23 ~~((4))~~ (d) The applicant has filed proof satisfactory to the
24 director of the existence of a policy of insurance with any insurance
25 carrier authorized to do business in the state of Washington in an
26 amount satisfactory to the director, which insures the contractor
27 against liability for damage to persons or property arising out of the
28 contractor's operation of, or ownership of, any vehicle or vehicles for
29 the transportation of individuals in connection with the contractor's
30 business, activities, or operations as a farm labor contractor;

31 ~~((5))~~ (e) The applicant has filed a surety bond or other security
32 which meets the requirements set forth in RCW 19.30.040;

33 ~~((6))~~ (f) The applicant executes a written statement which shall
34 be subscribed and sworn to and shall contain the following declaration:

35 "With regards to any action filed against me concerning my
36 activities as a farm labor contractor, I appoint the director of the
37 Washington department of labor and industries as my lawful agent to

1 accept service of summons when I am not present in the jurisdiction in
2 which the action is commenced or have in any other way become
3 unavailable to accept service"; and

4 ~~((7))~~ (g) The applicant has stated on his or her application
5 whether or not his or her contractor's license or the license of any of
6 his or her agents, partners, associates, stockholders, or profit
7 sharers has ever been suspended, revoked, or denied by any state or
8 federal agency, and whether or not there are any outstanding judgments
9 against him or her or any of his or her agents, partners, associates,
10 stockholders, or profit sharers in any state or federal court arising
11 out of activities as a farm labor contractor.

12 (2) The farm labor contractor account is created in the state
13 treasury. All receipts from farm labor contractor licenses, security
14 deposits, penalties, and donations must be deposited into the account.
15 Moneys in the account may be spent only after appropriation.
16 Expenditures from the account may be used only for administering the
17 farm labor contractor licensing program, subject to authorization from
18 the director or the director's designee.

19 **Sec. 928.** RCW 28B.15.068 and 2009 c 540 s 1 are each amended to
20 read as follows:

21 (1) Beginning with the 2007-08 academic year and ending with the
22 2016-17 academic year, tuition fees charged to full-time resident
23 undergraduate students, except in academic years 2009-10 and 2010-11,
24 may increase no greater than seven percent over the previous academic
25 year in any institution of higher education. Annual reductions or
26 increases in full-time tuition fees for resident undergraduate students
27 shall be as provided in the omnibus appropriations act, within the
28 seven percent increase limit established in this section. For academic
29 years 2009-10 and 2010-11 the omnibus appropriations act may provide
30 tuition increases greater than seven percent. To the extent that state
31 appropriations combined with tuition and fee revenues are insufficient
32 to achieve the total per-student funding goals established in
33 subsection (2) of this section, the legislature may revisit state
34 appropriations, authorized enrollment levels, and changes in tuition
35 fees for any given fiscal year. In order to facilitate the full
36 implementation of chapter . . . (Engrossed Second Substitute House Bill
37 No. 1795), Laws of 2011 1st sp. sess. for the 2011-12 academic year and

1 thereafter, the institutions of higher education are authorized to
2 adopt tuition levels that are less than, equal to, or greater than the
3 tuition levels assumed in the omnibus appropriations act, subject to
4 the conditions and limitations in this chapter and the omnibus
5 appropriations act.

6 (2) The state shall adopt as its goal total per-student funding
7 levels, from state appropriations plus tuition and fees, of at least
8 the sixtieth percentile of total per-student funding at similar public
9 institutions of higher education in the global challenge states. In
10 defining comparable per-student funding levels, the office of financial
11 management shall adjust for regional cost-of-living differences; for
12 differences in program offerings and in the relative mix of lower
13 division, upper division, and graduate students; and for accounting and
14 reporting differences among the comparison institutions. The office of
15 financial management shall develop a funding trajectory for each four-
16 year institution of higher education and for the community and
17 technical college system as a whole that when combined with tuition and
18 fees revenue allows the state to achieve its funding goal for each
19 four-year institution and the community and technical college system as
20 a whole no later than fiscal year 2017. The state shall not reduce
21 enrollment levels below fiscal year 2007 budgeted levels in order to
22 improve or alter the per-student funding amount at any four-year
23 institution of higher education or the community and technical college
24 system as a whole. The state recognizes that each four-year
25 institution of higher education and the community and technical college
26 system as a whole have different funding requirements to achieve
27 desired performance levels, and that increases to the total per-student
28 funding amount may need to exceed the minimum funding goal.

29 (3) By September 1st of each year beginning in 2008, the office of
30 financial management shall report to the governor, the higher education
31 coordinating board, and appropriate committees of the legislature with
32 updated estimates of the total per-student funding level that
33 represents the sixtieth percentile of funding for comparable
34 institutions of higher education in the global challenge states, and
35 the progress toward that goal that was made for each of the public
36 institutions of higher education.

37 (4) As used in this section, "global challenge states" are the top
38 performing states on the new economy index published by the progressive

1 policy institute as of July 22, 2007. The new economy index ranks
2 states on indicators of their potential to compete in the new economy.
3 At least once every five years, the office of financial management
4 shall determine if changes to the list of global challenge states are
5 appropriate. The office of financial management shall report its
6 findings to the governor and the legislature.

7 (5) During the 2009-10 and the 2010-11 academic years, institutions
8 of higher education shall include information on their billing
9 statements notifying students of tax credits available through the
10 American opportunity tax credit provided in the American recovery and
11 reinvestment act of 2009.

12 **Sec. 929.** RCW 28B.116.050 and 2005 c 215 s 6 are each amended to
13 read as follows:

14 (1) The foster care endowed scholarship trust fund is created in
15 the custody of the state treasurer.

16 (2) Funds appropriated by the legislature for the foster care
17 endowed scholarship trust fund shall be deposited in the foster care
18 endowed scholarship trust fund. When conditions in RCW 28B.116.070 are
19 met, the higher education coordinating board shall deposit state
20 matching moneys from the trust fund into the foster care scholarship
21 endowment fund.

22 (3) No appropriation is required for expenditures from the trust
23 fund.

24 (4) During the 2011-2013 fiscal biennium, the legislature may
25 transfer from the foster care endowed scholarship trust fund to the
26 state general fund such amounts as reflect the excess fund balance of
27 the account.

28 **Sec. 930.** RCW 28C.04.535 and 1995 1st sp.s. c 7 s 4 are each
29 amended to read as follows:

30 Except for the 2011-12 and 2012-13 school years, the Washington
31 award for vocational excellence shall be granted annually. The
32 workforce training and education coordinating board shall notify the
33 students receiving the award, their vocational instructors, local
34 chambers of commerce, the legislators of their respective districts,
35 and the governor, after final selections have been made. The workforce
36 training and education coordinating board, in conjunction with the

1 governor's office, shall prepare appropriate certificates to be
2 presented to the selected students. Awards shall be presented in
3 public ceremonies at times and places determined by the workforce
4 training and education coordinating board in cooperation with the
5 office of the governor.

6 **Sec. 931.** RCW 36.22.175 and 2008 c 328 s 6006 are each amended to
7 read as follows:

8 (1)(a) In addition to any other charge authorized by law, the
9 county auditor shall charge a surcharge of one dollar per instrument
10 for each document recorded. Revenue generated through this surcharge
11 shall be transmitted monthly to the state treasurer for deposit in the
12 local government archives account under RCW 40.14.024. These funds
13 shall be used solely for providing records scheduling, security
14 microfilm inspection and storage, archival preservation, cataloging,
15 and indexing for local government records and digital data and access
16 to those records and data through the regional branch archives of the
17 division of archives and records management.

18 (b) The division of archives and records management within the
19 office of the secretary of state shall provide records management
20 training for local governments and shall establish a competitive grant
21 program to solicit and prioritize project proposals from local
22 governments for potential funding to be paid for by funds from the
23 auditor surcharge and tax warrant surcharge revenues. Application for
24 specific projects may be made by local government agencies only. The
25 state archivist in consultation with the advisory committee established
26 under RCW 40.14.027 shall adopt rules governing project eligibility,
27 evaluation, awarding of grants, and other criteria including
28 requirements for records management training for grant recipients.

29 (2) The advisory committee established under RCW 40.14.027 shall
30 review grant proposals and establish a prioritized list of projects to
31 be considered for funding by January 1st of each even-numbered year,
32 beginning in 2002. The evaluation of proposals and development of the
33 prioritized list must be developed through open public meetings.
34 Funding for projects shall be granted according to the ranking of each
35 application on the prioritized list and projects will be funded only to
36 the extent that funds are available. A grant award may have an

1 effective date other than the date the project is placed on the
2 prioritized list.

3 (3)(a) In addition to any other surcharge authorized by law, the
4 county auditor shall charge a surcharge of one dollar per instrument
5 for every document recorded after January 1, 2002. Revenue generated
6 through this surcharge shall be transmitted to the state treasurer
7 monthly for deposit in the local government archives account under RCW
8 40.14.024 to be used exclusively for: (i) The construction and
9 improvement of a specialized regional facility located in eastern
10 Washington designed to serve the archives, records management, and
11 digital data management needs of local government; and (ii) payment of
12 the certificate of participation issued for the Washington state
13 heritage center to the extent there is an excess fund balance in the
14 account and fees generated under RCW 36.18.010 and 43.07.128 are
15 insufficient to meet debt service payments on the certificate of
16 participation.

17 (b) To the extent the facilities are used for the storage and
18 retrieval of state agency records and digital data, that portion of the
19 construction of such facilities used for state government records and
20 data shall be supported by other charges and fees paid by state
21 agencies and shall not be supported by the surcharge authorized in this
22 subsection, except that to the extent there is an excess fund balance
23 in the account and fees generated under RCW 36.18.010 and 43.07.128 are
24 insufficient to meet debt service payments for the Washington state
25 heritage center, the local government archives account under RCW
26 40.14.024 may be used for the Washington state heritage center.

27 (c) At such time that all debt service from construction of the
28 specialized regional archive facility located in eastern Washington has
29 been paid, fifty percent of the surcharge authorized by this subsection
30 shall be reverted to the centennial document preservation and
31 modernization account as prescribed in RCW 36.22.170 and fifty percent
32 of the surcharge authorized by this section shall be reverted to the
33 state treasurer for deposit in the (~~(archives and records management)~~)
34 public records efficiency, preservation, and access account to serve
35 the archives, records management, and digital data management needs of
36 local government, except that the state treasurer shall not revert
37 funds to the centennial document preservation and modernization account
38 and to the (~~(archives and records management)~~) public records

1 efficiency, preservation, and access account if fees generated under
2 RCW 36.18.010 and 43.07.128 are insufficient to meet debt service
3 payments on the Washington state heritage center.

4 **Sec. 932.** RCW 40.14.025 and 2003 c 163 s 1 are each amended to
5 read as follows:

6 (1) The secretary of state and the director of financial management
7 shall jointly establish a procedure and formula for allocating the
8 costs of services provided by the division of archives and records
9 management to state agencies. The total amount allotted for services
10 to state agencies shall not exceed the appropriation to the archives
11 and records management account during any allotment period.

12 (2) There is created the (~~archives and records management~~) public
13 records efficiency, preservation, and access account in the state
14 treasury which shall consist of all fees and charges collected under
15 this section. The account shall be appropriated exclusively for the
16 payment of costs and expenses incurred in the operation of the division
17 of archives and records management as specified by law.

18 **Sec. 933.** RCW 40.14.027 and 2003 c 163 s 4 are each amended to
19 read as follows:

20 State agencies shall collect a surcharge of twenty dollars from the
21 judgment debtor upon the satisfaction of a warrant filed in superior
22 court for unpaid taxes or liabilities. The surcharge is imposed on the
23 judgment debtor in the form of a penalty in addition to the filing fee
24 provided in RCW 36.18.012(10). The surcharge revenue shall be
25 transmitted to the state treasurer for deposit in the (~~archives and~~
26 ~~records management~~) public records efficiency, preservation, and
27 access account.

28 Surcharge revenue deposited in the local government archives
29 account under RCW 40.14.024 shall be expended by the secretary of state
30 exclusively for disaster recovery, essential records protection
31 services, and records management training for local government agencies
32 by the division of archives and records management. The secretary of
33 state shall, with local government representatives, establish a
34 committee to advise the state archivist on the local government
35 archives and records management program.

1 **Sec. 934.** RCW 41.06.022 and 2002 c 354 s 207 are each amended to
2 read as follows:

3 For purposes of this chapter, "manager" means any employee who:

4 (1) Formulates statewide policy or directs the work of an agency or
5 agency subdivision;

6 (2) Is responsible to administer one or more statewide policies or
7 programs of an agency or agency subdivision;

8 (3) Manages, administers, and controls a local branch office of an
9 agency or agency subdivision, including the physical, financial, or
10 personnel resources;

11 (4) Has substantial responsibility in personnel administration,
12 legislative relations, public information, or the preparation and
13 administration of budgets; or

14 (5) Functionally is above the first level of supervision and
15 exercises authority that is not merely routine or clerical in nature
16 and requires the consistent use of independent judgment.

17 No employee who is a member of the Washington management service
18 may be included in a collective bargaining unit established under RCW
19 41.80.001 and 41.80.010 through 41.80.130.

20 During the 2011-2013 fiscal biennium, except as required by a
21 collective bargaining agreement in place on the effective date of this
22 section, a manager whose position is eliminated as a result of the
23 management reductions included in the state agency appropriations in
24 this act and who is hired or transferred to a different position shall
25 be compensated at a level no higher than that which is commensurate
26 with the employee's new position.

27 During the 2011-2013 biennium, unless required by a collective
28 bargaining agreement in place on the effective date of this section, no
29 manager shall have the right of reversion to a classified position in
30 the event that the employee's position is eliminated as a result of the
31 management reductions included in the state agency appropriations in
32 this act unless the employee was employed in the classified position in
33 question, or a substantially equivalent classified position, within the
34 three year period prior to the effective date of this act.

35 **Sec. 935.** RCW 41.06.070 and 2010 c 271 s 801, 2010 c 2 s 2, and
36 2010 c 1 s 1 are each reenacted and amended to read as follows:

37 (1) The provisions of this chapter do not apply to:

1 (a) The members of the legislature or to any employee of, or
2 position in, the legislative branch of the state government including
3 members, officers, and employees of the legislative council, joint
4 legislative audit and review committee, statute law committee, and any
5 interim committee of the legislature;

6 (b) The justices of the supreme court, judges of the court of
7 appeals, judges of the superior courts or of the inferior courts, or to
8 any employee of, or position in the judicial branch of state
9 government;

10 (c) Officers, academic personnel, and employees of technical
11 colleges;

12 (d) The officers of the Washington state patrol;

13 (e) Elective officers of the state;

14 (f) The chief executive officer of each agency;

15 (g) In the departments of employment security and social and health
16 services, the director and the director's confidential secretary; in
17 all other departments, the executive head of which is an individual
18 appointed by the governor, the director, his or her confidential
19 secretary, and his or her statutory assistant directors;

20 (h) In the case of a multimember board, commission, or committee,
21 whether the members thereof are elected, appointed by the governor or
22 other authority, serve ex officio, or are otherwise chosen:

23 (i) All members of such boards, commissions, or committees;

24 (ii) If the members of the board, commission, or committee serve on
25 a part-time basis and there is a statutory executive officer: The
26 secretary of the board, commission, or committee; the chief executive
27 officer of the board, commission, or committee; and the confidential
28 secretary of the chief executive officer of the board, commission, or
29 committee;

30 (iii) If the members of the board, commission, or committee serve
31 on a full-time basis: The chief executive officer or administrative
32 officer as designated by the board, commission, or committee; and a
33 confidential secretary to the chair of the board, commission, or
34 committee;

35 (iv) If all members of the board, commission, or committee serve ex
36 officio: The chief executive officer; and the confidential secretary
37 of such chief executive officer;

- 1 (i) The confidential secretaries and administrative assistants in
2 the immediate offices of the elective officers of the state;
- 3 (j) Assistant attorneys general;
- 4 (k) Commissioned and enlisted personnel in the military service of
5 the state;
- 6 (l) Inmate, student, part-time, or temporary employees, and part-
7 time professional consultants, as defined by the Washington personnel
8 resources board;
- 9 (m) The public printer or to any employees of or positions in the
10 state printing plant;
- 11 (n) Officers and employees of the Washington state fruit
12 commission;
- 13 (o) Officers and employees of the Washington apple commission;
- 14 (p) Officers and employees of the Washington state dairy products
15 commission;
- 16 (q) Officers and employees of the Washington tree fruit research
17 commission;
- 18 (r) Officers and employees of the Washington state beef commission;
- 19 (s) Officers and employees of the Washington grain commission;
- 20 (t) Officers and employees of any commission formed under chapter
21 15.66 RCW;
- 22 (u) Officers and employees of agricultural commissions formed under
23 chapter 15.65 RCW;
- 24 (v) Officers and employees of the nonprofit corporation formed
25 under chapter 67.40 RCW;
- 26 (w) Executive assistants for personnel administration and labor
27 relations in all state agencies employing such executive assistants
28 including but not limited to all departments, offices, commissions,
29 committees, boards, or other bodies subject to the provisions of this
30 chapter and this subsection shall prevail over any provision of law
31 inconsistent herewith unless specific exception is made in such law;
- 32 (x) In each agency with fifty or more employees: Deputy agency
33 heads, assistant directors or division directors, and not more than
34 three principal policy assistants who report directly to the agency
35 head or deputy agency heads;
- 36 (y) All employees of the marine employees' commission;
- 37 (z) Staff employed by the department of commerce to administer
38 energy policy functions;

1 (aa) The manager of the energy facility site evaluation council;
2 (bb) A maximum of ten staff employed by the department of commerce
3 to administer innovation and policy functions, including the three
4 principal policy assistants exempted under (x) of this subsection;
5 (cc) Staff employed by Washington State University to administer
6 energy education, applied research, and technology transfer programs
7 under RCW 43.21F.045 as provided in RCW 28B.30.900(5).

8 (2) The following classifications, positions, and employees of
9 institutions of higher education and related boards are hereby exempted
10 from coverage of this chapter:

11 (a) Members of the governing board of each institution of higher
12 education and related boards, all presidents, vice presidents, and
13 their confidential secretaries, administrative, and personal
14 assistants; deans, directors, and chairs; academic personnel; and
15 executive heads of major administrative or academic divisions employed
16 by institutions of higher education; principal assistants to executive
17 heads of major administrative or academic divisions; other managerial
18 or professional employees in an institution or related board having
19 substantial responsibility for directing or controlling program
20 operations and accountable for allocation of resources and program
21 results, or for the formulation of institutional policy, or for
22 carrying out personnel administration or labor relations functions,
23 legislative relations, public information, development, senior computer
24 systems and network programming, or internal audits and investigations;
25 and any employee of a community college district whose place of work is
26 one which is physically located outside the state of Washington and who
27 is employed pursuant to RCW 28B.50.092 and assigned to an educational
28 program operating outside of the state of Washington;

29 (b) The governing board of each institution, and related boards,
30 may also exempt from this chapter classifications involving research
31 activities, counseling of students, extension or continuing education
32 activities, graphic arts or publications activities requiring
33 prescribed academic preparation or special training as determined by
34 the board: PROVIDED, That no nonacademic employee engaged in office,
35 clerical, maintenance, or food and trade services may be exempted by
36 the board under this provision;

37 (c) Printing craft employees in the department of printing at the
38 University of Washington.

1 (3) In addition to the exemptions specifically provided by this
2 chapter, the director of personnel may provide for further exemptions
3 pursuant to the following procedures. The governor or other
4 appropriate elected official may submit requests for exemption to the
5 director of personnel stating the reasons for requesting such
6 exemptions. The director of personnel shall hold a public hearing,
7 after proper notice, on requests submitted pursuant to this subsection.
8 If the director determines that the position for which exemption is
9 requested is one involving substantial responsibility for the
10 formulation of basic agency or executive policy or one involving
11 directing and controlling program operations of an agency or a major
12 administrative division thereof, the director of personnel shall grant
13 the request and such determination shall be final as to any decision
14 made before July 1, 1993. The total number of additional exemptions
15 permitted under this subsection shall not exceed one percent of the
16 number of employees in the classified service not including employees
17 of institutions of higher education and related boards for those
18 agencies not directly under the authority of any elected public
19 official other than the governor, and shall not exceed a total of
20 twenty-five for all agencies under the authority of elected public
21 officials other than the governor.

22 The salary and fringe benefits of all positions presently or
23 hereafter exempted except for the chief executive officer of each
24 agency, full-time members of boards and commissions, administrative
25 assistants and confidential secretaries in the immediate office of an
26 elected state official, and the personnel listed in subsections (1)(j)
27 through (v) and (y) and (2) of this section, shall be determined by the
28 director of personnel. Changes to the classification plan affecting
29 exempt salaries must meet the same provisions for classified salary
30 increases resulting from adjustments to the classification plan as
31 outlined in RCW 41.06.152.

32 During the 2011-2013 fiscal biennium, except as required by a
33 collective bargaining agreement in place on the effective date of this
34 section, an employee whose position exempt under this chapter is
35 eliminated as a result of the management reductions included in the
36 state agency appropriations in and who is hired or transferred to a
37 different position exempt under the provisions of this chapter shall be

1 compensated at a level no higher than that which is commensurate with
2 the employee's new position.

3 From February 18, 2009, through June 30, 2011, a salary or wage
4 increase shall not be granted to any position exempt from
5 classification under this chapter, except that a salary or wage
6 increase may be granted to employees pursuant to collective bargaining
7 agreements negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW,
8 or negotiated by the nonprofit corporation formed under chapter 67.40
9 RCW, and except that increases may be granted for positions for which
10 the employer has demonstrated difficulty retaining qualified employees
11 if the following conditions are met:

12 (a) The salary increase can be paid within existing resources; and

13 (b) The salary increase will not adversely impact the provision of
14 client services.

15 Any agency granting a salary increase from February 15, 2010,
16 through June 30, 2011, to a position exempt from classification under
17 this chapter shall submit a report to the fiscal committees of the
18 legislature no later than July 31, 2011, detailing the positions for
19 which salary increases were granted, the size of the increases, and the
20 reasons for giving the increases.

21 Any person holding a classified position subject to the provisions
22 of this chapter shall, when and if such position is subsequently
23 exempted from the application of this chapter, be afforded the
24 following rights: If such person previously held permanent status in
25 another classified position, such person shall have a right of
26 reversion to the highest class of position previously held, or to a
27 position of similar nature and salary.

28 Any classified employee having civil service status in a classified
29 position who accepts an appointment in an exempt position shall have
30 the right of reversion to the highest class of position previously
31 held, or to a position of similar nature and salary, except that during
32 the 2011-2013 biennium, unless required by a collective bargaining
33 agreement in place on the effective date of this section, no employee
34 shall have the right of reversion to a classified position in the event
35 that the employee's position is eliminated as a result of the
36 management reductions included in the state agency appropriations in
37 this act unless the employee was employed in the classified position in

1 question, or a substantially equivalent classified position, within the
2 three year period prior to the effective date of this act.

3 A person occupying an exempt position who is terminated from the
4 position for gross misconduct or malfeasance does not have the right of
5 reversion to a classified position as provided for in this section.

6 From February 15, 2010, until June 30, 2011, no monetary
7 performance-based awards or incentives may be granted by the director
8 or employers to employees covered by rules adopted under this section.
9 This subsection does not prohibit the payment of awards provided for in
10 chapter 41.60 RCW.

11 **Sec. 936.** RCW 41.50.110 and 2009 c 564 s 924 are each amended to
12 read as follows:

13 (1) Except as provided by RCW 41.50.255 and subsection (6) of this
14 section, all expenses of the administration of the department, the
15 expenses of administration of the retirement systems, and the expenses
16 of the administration of the office of the state actuary created in
17 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43,
18 and 44.44 RCW shall be paid from the department of retirement systems
19 expense fund.

20 (2) In order to reimburse the department of retirement systems
21 expense fund on an equitable basis the department shall ascertain and
22 report to each employer, as defined in RCW 41.26.030, 41.32.010,
23 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its
24 proportional share of the entire expense of the administration of the
25 retirement system that the employer participates in during the ensuing
26 biennium or fiscal year whichever may be required. Such sum is to be
27 computed in an amount directly proportional to the estimated entire
28 expense of the administration as the ratio of monthly salaries of the
29 employer's members bears to the total salaries of all members in the
30 entire system. It shall then be the duty of all such employers to
31 include in their budgets or otherwise provide the amounts so required.

32 (3) The department shall compute and bill each employer, as defined
33 in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the
34 end of each month for the amount due for that month to the department
35 of retirement systems expense fund and the same shall be paid as are
36 its other obligations. Such computation as to each employer shall be
37 made on a percentage rate of salary established by the department.

1 However, the department may at its discretion establish a system of
2 billing based upon calendar year quarters in which event the said
3 billing shall be at the end of each such quarter.

4 (4) The director may adjust the expense fund contribution rate for
5 each system at any time when necessary to reflect unanticipated costs
6 or savings in administering the department.

7 (5) An employer who fails to submit timely and accurate reports to
8 the department may be assessed an additional fee related to the
9 increased costs incurred by the department in processing the deficient
10 reports. Fees paid under this subsection shall be deposited in the
11 retirement system expense fund.

12 (a) Every six months the department shall determine the amount of
13 an employer's fee by reviewing the timeliness and accuracy of the
14 reports submitted by the employer in the preceding six months. If
15 those reports were not both timely and accurate the department may
16 prospectively assess an additional fee under this subsection.

17 (b) An additional fee assessed by the department under this
18 subsection shall not exceed fifty percent of the standard fee.

19 (c) The department shall adopt rules implementing this section.

20 (6) Expenses other than those under RCW 41.34.060(3) shall be paid
21 pursuant to subsection (1) of this section.

22 (7) During the (~~(2007-2009-and)~~) 2009-2011 and 2011-2013 fiscal
23 biennia, the legislature may transfer from the department of retirement
24 systems' expense fund to the state general fund such amounts as reflect
25 the excess fund balance of the fund.

26 **Sec. 937.** RCW 41.60.050 and 1991 sp.s. c 16 s 918 are each amended
27 to read as follows:

28 The legislature shall appropriate from the department of personnel
29 service fund for the payment of administrative costs of the
30 productivity board. However, during the (~~(1991-93)~~) 2011-2013 fiscal
31 biennium, the (~~(administrative costs)~~) operations of the productivity
32 board shall be (~~(appropriated from the savings recovery account)~~)
33 suspended.

34 **Sec. 938.** RCW 41.80.010 and 2010 c 104 s 1 are each amended to
35 read as follows:

36 (1) For the purpose of negotiating collective bargaining agreements

1 under this chapter, the employer shall be represented by the governor
2 or governor's designee, except as provided for institutions of higher
3 education in subsection (4) of this section.

4 (2)(a) If an exclusive bargaining representative represents more
5 than one bargaining unit, the exclusive bargaining representative shall
6 negotiate with each employer representative as designated in subsection
7 (1) of this section one master collective bargaining agreement on
8 behalf of all the employees in bargaining units that the exclusive
9 bargaining representative represents. For those exclusive bargaining
10 representatives who represent fewer than a total of five hundred
11 employees each, negotiation shall be by a coalition of all those
12 exclusive bargaining representatives. The coalition shall bargain for
13 a master collective bargaining agreement covering all of the employees
14 represented by the coalition. The governor's designee and the
15 exclusive bargaining representative or representatives are authorized
16 to enter into supplemental bargaining of agency-specific issues for
17 inclusion in or as an addendum to the master collective bargaining
18 agreement, subject to the parties' agreement regarding the issues and
19 procedures for supplemental bargaining. This section does not prohibit
20 cooperation and coordination of bargaining between two or more
21 exclusive bargaining representatives.

22 (b) This subsection (2) does not apply to exclusive bargaining
23 representatives who represent employees of institutions of higher
24 education, except when the institution of higher education has elected
25 to exercise its option under subsection (4) of this section to have its
26 negotiations conducted by the governor or governor's designee under the
27 procedures provided for general government agencies in subsections (1)
28 through (3) of this section.

29 (c) If five hundred or more employees of an independent state
30 elected official listed in RCW 43.01.010 are organized in a bargaining
31 unit or bargaining units under RCW 41.80.070, the official shall be
32 consulted by the governor or the governor's designee before any
33 agreement is reached under (a) of this subsection concerning
34 supplemental bargaining of agency specific issues affecting the
35 employees in such bargaining unit.

36 (3) The governor shall submit a request for funds necessary to
37 implement the compensation and fringe benefit provisions in the master
38 collective bargaining agreement or for legislation necessary to

1 implement the agreement. Requests for funds necessary to implement the
2 provisions of bargaining agreements shall not be submitted to the
3 legislature by the governor unless such requests:

4 (a) Have been submitted to the director of the office of financial
5 management by October 1 prior to the legislative session at which the
6 requests are to be considered; and

7 (b) Have been certified by the director of the office of financial
8 management as being feasible financially for the state.

9 The legislature shall approve or reject the submission of the
10 request for funds as a whole. The legislature shall not consider a
11 request for funds to implement a collective bargaining agreement unless
12 the request is transmitted to the legislature as part of the governor's
13 budget document submitted under RCW 43.88.030 and 43.88.060. If the
14 legislature rejects or fails to act on the submission, either party may
15 reopen all or part of the agreement or the exclusive bargaining
16 representative may seek to implement the procedures provided for in RCW
17 41.80.090.

18 (4)(a)(i) For the purpose of negotiating agreements for
19 institutions of higher education, the employer shall be the respective
20 governing board of each of the universities, colleges, or community
21 colleges or a designee chosen by the board to negotiate on its behalf.

22 (ii) A governing board of a university or college may elect to have
23 its negotiations conducted by the governor or governor's designee under
24 the procedures provided for general government agencies in subsections
25 (1) through (3) of this section, except that:

26 (A) The governor or the governor's designee and an exclusive
27 bargaining representative shall negotiate one master collective
28 bargaining agreement for all of the bargaining units of employees of a
29 university or college that the representative represents; or

30 (B) If the parties mutually agree, the governor or the governor's
31 designee and an exclusive bargaining representative shall negotiate one
32 master collective bargaining agreement for all of the bargaining units
33 of employees of more than one university or college that the
34 representative represents.

35 (iii) A governing board of a community college may elect to have
36 its negotiations conducted by the governor or governor's designee under
37 the procedures provided for general government agencies in subsections
38 (1) through (3) of this section.

1 (b) Prior to entering into negotiations under this chapter, the
2 institutions of higher education or their designees shall consult with
3 the director of the office of financial management regarding financial
4 and budgetary issues that are likely to arise in the impending
5 negotiations.

6 (c)(i) If appropriations are necessary to implement the
7 compensation and fringe benefit provisions of the bargaining agreements
8 reached between institutions of higher education and exclusive
9 bargaining representatives agreed to under the provisions of this
10 chapter, the governor shall submit a request for such funds to the
11 legislature according to the provisions of subsection (3) of this
12 section, except as provided in (c)(ii) of this subsection.

13 (ii) In the case of a bargaining unit of employees of institutions
14 of higher education in which the exclusive bargaining representative is
15 certified during or after the conclusion of a legislative session, the
16 legislature may act upon the compensation and fringe benefit provisions
17 of the unit's initial collective bargaining agreement if those
18 provisions are agreed upon and submitted to the office of financial
19 management and legislative budget committees before final legislative
20 action on the biennial or supplemental operating budget by the sitting
21 legislature.

22 (5) There is hereby created a joint committee on employment
23 relations, which consists of two members with leadership positions in
24 the house of representatives, representing each of the two largest
25 caucuses; the chair and ranking minority member of the house
26 appropriations committee, or its successor, representing each of the
27 two largest caucuses; two members with leadership positions in the
28 senate, representing each of the two largest caucuses; and the chair
29 and ranking minority member of the senate ways and means committee, or
30 its successor, representing each of the two largest caucuses. The
31 governor shall periodically consult with the committee regarding
32 appropriations necessary to implement the compensation and fringe
33 benefit provisions in the master collective bargaining agreements, and
34 upon completion of negotiations, advise the committee on the elements
35 of the agreements and on any legislation necessary to implement the
36 agreements.

37 (6) If, after the compensation and fringe benefit provisions of an
38 agreement are approved by the legislature, a significant revenue

1 shortfall occurs resulting in reduced appropriations, as declared by
2 proclamation of the governor or by resolution of the legislature, both
3 parties shall immediately enter into collective bargaining for a
4 mutually agreed upon modification of the agreement.

5 (7) After the expiration date of a collective bargaining agreement
6 negotiated under this chapter, all of the terms and conditions
7 specified in the collective bargaining agreement remain in effect until
8 the effective date of a subsequently negotiated agreement, not to
9 exceed one year from the expiration date stated in the agreement.
10 Thereafter, the employer may unilaterally implement according to law.

11 (8) For the 2011-2013 fiscal biennium, a collective bargaining
12 agreement related to employee health care benefits negotiated between
13 the employer and coalition pursuant to RCW 41.80.020(3) regarding the
14 dollar amount expended on behalf of each employee shall be a separate
15 agreement for which the governor may request funds necessary to
16 implement the agreement. If such an agreement is negotiated and funded
17 by the legislature, this agreement will supersede any terms and
18 conditions of an expired 2009-2011 biennial master collective
19 bargaining agreement under this chapter regarding health care benefits.

20 **Sec. 939.** RCW 41.80.020 and 2010 c 283 s 16 are each amended to
21 read as follows:

22 (1) Except as otherwise provided in this chapter, the matters
23 subject to bargaining include wages, hours, and other terms and
24 conditions of employment, and the negotiation of any question arising
25 under a collective bargaining agreement.

26 (2) The employer is not required to bargain over matters pertaining
27 to:

28 (a) Health care benefits or other employee insurance benefits,
29 except as required in subsection (3) of this section;

30 (b) Any retirement system or retirement benefit; or

31 (c) Rules of the director of personnel or the Washington personnel
32 resources board adopted under section 203, chapter 354, Laws of 2002.

33 (3) Matters subject to bargaining include the number of names to be
34 certified for vacancies, promotional preferences, and the dollar amount
35 expended on behalf of each employee for health care benefits. However,
36 except as provided otherwise in this subsection for institutions of
37 higher education, negotiations regarding the number of names to be

1 certified for vacancies, promotional preferences, and the dollar amount
2 expended on behalf of each employee for health care benefits shall be
3 conducted between the employer and one coalition of all the exclusive
4 bargaining representatives subject to this chapter. The exclusive
5 bargaining representatives for employees that are subject to chapter
6 47.64 RCW shall bargain the dollar amount expended on behalf of each
7 employee for health care benefits with the employer as part of the
8 coalition under this subsection. Any such provision agreed to by the
9 employer and the coalition shall be included in all master collective
10 bargaining agreements negotiated by the parties. For institutions of
11 higher education, promotional preferences and the number of names to be
12 certified for vacancies shall be bargained under the provisions of RCW
13 41.80.010(4). For agreements covering the 2011-2013 fiscal biennium,
14 any agreement between the employer and the coalition regarding the
15 dollar amount expended on behalf of each employee for health care
16 benefits is a separate agreement and shall not be included in the
17 master collective bargaining agreements negotiated by the parties.

18 (4) The employer and the exclusive bargaining representative shall
19 not agree to any proposal that would prevent the implementation of
20 approved affirmative action plans or that would be inconsistent with
21 the comparable worth agreement that provided the basis for the salary
22 changes implemented beginning with the 1983-1985 biennium to achieve
23 comparable worth.

24 (5) The employer and the exclusive bargaining representative shall
25 not bargain over matters pertaining to management rights established in
26 RCW 41.80.040.

27 (6) Except as otherwise provided in this chapter, if a conflict
28 exists between an executive order, administrative rule, or agency
29 policy relating to wages, hours, and terms and conditions of employment
30 and a collective bargaining agreement negotiated under this chapter,
31 the collective bargaining agreement shall prevail. A provision of a
32 collective bargaining agreement that conflicts with the terms of a
33 statute is invalid and unenforceable.

34 (7) This section does not prohibit bargaining that affects
35 contracts authorized by RCW 41.06.142.

36 **Sec. 940.** RCW 43.07.129 and 2007 c 523 s 4 are each amended to
37 read as follows:

1 The Washington state heritage center account is created in the
2 custody of the state treasurer. All moneys received under RCW
3 36.18.010(11) and 43.07.128 must be deposited in the account.
4 Expenditures from the account may be made only for the following
5 purposes:

6 (1) Payment of the certificate of participation issued for the
7 Washington state heritage center;

8 (2) Capital maintenance of the Washington state heritage center;
9 and

10 (3) Program operations that serve the public, relate to the
11 collections and exhibits housed in the Washington state heritage
12 center, or fulfill the missions of the state archives, state library,
13 and capital museum.

14 Only the secretary of state or the secretary of state's designee
15 may authorize expenditures from the account. An appropriation is not
16 required for expenditures, but the account is subject to allotment
17 procedures under chapter 43.88 RCW. During the 2011-2013 fiscal
18 biennium, the legislature may appropriate from the Washington state
19 heritage center account for the purposes of state arts, historical, and
20 library programs.

21 **Sec. 941.** RCW 43.08.190 and 2010 c 222 s 3 are each amended to
22 read as follows:

23 There is hereby created a fund within the state treasury to be
24 known as the "state treasurer's service fund." Such fund shall be used
25 solely for the payment of costs and expenses incurred in the operation
26 and administration of the state treasurer's office.

27 Moneys shall be allocated monthly and placed in the state
28 treasurer's service fund equivalent to a maximum of one percent of the
29 trust and treasury average daily cash balances from the earnings
30 generated under the authority of RCW 43.79A.040 and 43.84.080 other
31 than earnings generated from investment of balances in funds and
32 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
33 precede the distribution of the remaining earnings as prescribed under
34 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a
35 uniform allocation rate for all funds and accounts; except that the
36 state treasurer may negotiate a different allocation rate with any
37 state agency that has independent authority over funds not statutorily

1 required to be held in the state treasury or in the custody of the
2 state treasurer. In no event shall the rate be less than the actual
3 costs incurred by the state treasurer's office. If no rate is
4 separately negotiated, the default rate for any funds held shall be the
5 rate set for funds held pursuant to statute.

6 During the 2009-2011 fiscal biennium and the 2011-2013 fiscal
7 biennium, the legislature may transfer from the state treasurer's
8 service fund to the state general fund such amounts as reflect the
9 excess fund balance of the fund.

10 **Sec. 942.** RCW 43.09.475 and 2009 c 564 s 929 are each amended to
11 read as follows:

12 The performance audits of government account is hereby created in
13 the custody of the state treasurer. Revenue identified in RCW
14 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money
15 in the account shall be used to fund the performance audits and follow-
16 up performance audits under RCW 43.09.470 and shall be expended by the
17 state auditor in accordance with chapter 1, Laws of 2006. Only the
18 state auditor or the state auditor's designee may authorize
19 expenditures from the account. The account is subject to allotment
20 procedures under chapter 43.88 RCW, but an appropriation is not
21 required for expenditures. During the 2009-2011 fiscal biennium, the
22 legislature may transfer from the performance audits of government
23 account to the state general fund such amounts as deemed to be
24 appropriate or necessary. During 2011-2013 fiscal biennium, the
25 performance audits of government account may be appropriated for fraud
26 investigations in the state auditor's office and the department of
27 social and health services, audit and collection functions in the
28 department of revenue, and audits of school districts. In addition,
29 during the 2011-2013 fiscal biennium the account may be used to fund
30 the office of financial management's contract for the compliance audit
31 of the state auditor.

32 **Sec. 943.** RCW 43.19.501 and 2009 c 564 s 932 are each amended to
33 read as follows:

34 The Thurston county capital facilities account is created in the
35 state treasury. The account is subject to the appropriation and
36 allotment procedures under chapter 43.88 RCW. Moneys in the account

1 may be expended for capital projects in facilities owned and managed by
2 the department of general administration in Thurston county. For the
3 2007-2009 biennium, moneys in the account may be used for predesign
4 identified in section 1037, chapter 328, Laws of 2008.

5 During the 2009-2011 and 2011-2013 fiscal (~~(biennium)~~) biennia, the
6 legislature may transfer from the Thurston county capital facilities
7 account to the state general fund such amounts as reflect the excess
8 fund balance of the account.

9 **Sec. 944.** RCW 43.20A.725 and 2010 1st sp.s. c 37 s 921 are each
10 amended to read as follows:

11 (1) The department, through the sole authority of the office or its
12 successor organization, shall maintain a program whereby an individual
13 of school age or older who possesses a hearing or speech impairment is
14 provided with telecommunications equipment, software, and/or peripheral
15 devices, digital or otherwise, that is determined by the office to be
16 necessary for such a person to access and use telecommunications
17 transmission services effectively.

18 (2) The department, through the sole authority of the office or its
19 successor organization, shall maintain a program where
20 telecommunications relay services of a human or electronic nature will
21 be provided to connect hearing impaired, deaf-blind, or speech impaired
22 persons with persons who do not have a hearing or speech impairment.
23 Such telecommunications relay services shall provide the ability for an
24 individual who has a hearing or speech impairment to engage in voice,
25 tactile, or visual communication by wire or radio with a hearing
26 individual in a manner that is functionally equivalent to the ability
27 of an individual who does not have a hearing or speech impairment to
28 communicate using voice or visual communication services by wire or
29 radio subject to subsection (4)(b) of this section.

30 (3) The telecommunications relay service and equipment distribution
31 program may operate in such a manner as to provide communications
32 transmission opportunities that are capable of incorporating new
33 technologies that have demonstrated benefits consistent with the intent
34 of this chapter and are in the best interests of the citizens of this
35 state.

36 (4) The office shall administer and control the award of money to
37 all parties incurring costs in implementing and maintaining

1 telecommunications services, programs, equipment, and technical support
2 services according to this section. The relay service contract shall
3 be awarded to an individual company registered as a telecommunications
4 company by the utilities and transportation commission, to a group of
5 registered telecommunications companies, or to any other company or
6 organization determined by the office as qualified to provide relay
7 services, contingent upon that company or organization being approved
8 as a registered telecommunications company prior to final contract
9 approval. The relay system providers and telecommunications equipment
10 vendors shall be selected on the basis of cost-effectiveness and
11 utility to the greatest extent possible under the program and technical
12 specifications established by the office.

13 (a) To the extent funds are available under the then-current rate
14 and not otherwise held in reserve or required for other purposes
15 authorized by this chapter, the office may award contracts for
16 communications and related services and equipment for hearing impaired
17 or speech impaired individuals accessing or receiving services provided
18 by, or contracted for, the department to meet access obligations under
19 Title 2 of the federal Americans with disabilities act or related
20 federal regulations.

21 (b) The office shall perform its duties under this section with the
22 goal of achieving functional equivalency of access to and use of
23 telecommunications services similar to the enjoyment of access to and
24 use of such services experienced by an individual who does not have a
25 hearing or speech impairment only to the extent that funds are
26 available under the then-current rate and not otherwise held in reserve
27 or required for other purposes authorized by this chapter.

28 (5) The program shall be funded by a telecommunications relay
29 service (TRS) excise tax applied to each switched access line provided
30 by the local exchange companies. The office shall determine, in
31 consultation with the office's program advisory committee, the budget
32 needed to fund the program on an annual basis, including both
33 operational costs and a reasonable amount for capital improvements such
34 as equipment upgrade and replacement. The budget proposed by the
35 office, together with documentation and supporting materials, shall be
36 submitted to the office of financial management for review and
37 approval. The approved budget shall be given by the department in an
38 annual budget to the department of revenue no later than March 1st

1 prior to the beginning of the fiscal year. The department of revenue
2 shall then determine the amount of telecommunications relay service
3 excise tax to be placed on each switched access line and shall inform
4 local exchange companies and the utilities and transportation
5 commission of this amount no later than May 1st. The department of
6 revenue shall determine the amount of telecommunications relay service
7 excise tax to be collected in the following fiscal year by dividing the
8 total of the program budget, as submitted by the office, by the total
9 number of switched access lines in the prior calendar year, as reported
10 to the department of revenue under chapter 82.14B RCW, and shall not
11 exercise any further oversight of the program under this subsection
12 other than administering the collection of the telecommunications relay
13 service excise tax as provided in RCW 82.72.010 through 82.72.090. The
14 telecommunications relay service excise tax shall not exceed nineteen
15 cents per month per access line. The telecommunications relay service
16 excise tax shall be separately identified on each ratepayer's bill with
17 the following statement: "Funds federal ADA requirement." All
18 proceeds from the telecommunications relay service excise tax shall be
19 put into a fund to be administered by the office through the
20 department. During the 2009-2011 and 2011-2013 fiscal (~~biennium~~)
21 biennia, the funds may also be used to provide individualized
22 employment services and employment-related counseling to people with
23 disabilities, and technical assistance to employers about the
24 employment of people with disabilities. "Switched access line" has the
25 meaning provided in RCW 82.14B.020.

26 (6) The telecommunications relay service program and equipment
27 vendors shall provide services and equipment consistent with the
28 requirements of federal law for the operation of both interstate and
29 intrastate telecommunications services for the hearing impaired or
30 speech impaired. The department and the utilities and transportation
31 commission shall be responsible for ensuring compliance with federal
32 requirements and shall provide timely notice to the legislature of any
33 legislation that may be required to accomplish compliance.

34 (7) The department shall adopt rules establishing eligibility
35 criteria, ownership obligations, financial contributions, and a program
36 for distribution to individuals requesting and receiving such
37 telecommunications devices distributed by the office, and other rules

1 necessary to administer programs and services consistent with this
2 chapter.

3 **Sec. 945.** RCW 43.79.201 and 2009 c 564 s 935 are each amended to
4 read as follows:

5 (1) The charitable, educational, penal and reformatory institutions
6 account is hereby created, in the state treasury, into which account
7 there shall be deposited all moneys arising from the sale, lease or
8 transfer of the land granted by the United States government to the
9 state for charitable, educational, penal and reformatory institutions
10 by section 17 of the enabling act, or otherwise set apart for such
11 institutions, except all moneys arising from the sale, lease, or
12 transfer of that certain one hundred thousand acres of such land
13 assigned for the support of the University of Washington by chapter 91,
14 Laws of 1903 and section 9, chapter 122, Laws of 1893.

15 (2) If feasible, not less than one-half of all income to the
16 charitable, educational, penal, and reformatory institutions account
17 shall be appropriated for the purpose of providing housing, including
18 repair and renovation of state institutions, for persons with mental
19 illness or developmental disabilities, or youth who are blind, deaf, or
20 otherwise disabled. If moneys are appropriated for community-based
21 housing, the moneys shall be appropriated to the department of
22 (~~community, trade, and economic development~~) commerce for the housing
23 assistance program under chapter 43.185 RCW. During the 2009-2011 and
24 2011-2013 fiscal (~~biennium~~) biennia, the legislature may transfer
25 from the charitable, educational, penal and reformatory institutions
26 account to the state general fund such amounts as reflect excess fund
27 balance of the (~~fund {account}~~) account.

28 **Sec. 946.** RCW 43.79.465 and 2010 1st sp.s. c 37 s 929 are each
29 amended to read as follows:

30 The education savings account is created in the state treasury.
31 The account shall consist of all moneys appropriated to the account by
32 the legislature.

33 (1) Ten percent of legislative appropriations to the education
34 savings account shall be distributed as follows: (a) Fifty percent to
35 the distinguished professorship trust fund under RCW 28B.76.565; (b)

1 seventeen percent to the graduate fellowship trust fund under RCW
2 28B.76.610; and (c) thirty-three percent to the college faculty awards
3 trust fund under RCW 28B.50.837.

4 (2) The remaining moneys in the education savings account may be
5 appropriated solely for (a) common school construction projects that
6 are eligible for funding from the common school construction account,
7 (b) technology improvements in the common schools, (c) during the 2001-
8 03 fiscal biennium, technology improvements in public higher education
9 institutions, (d) during the 2007-2009 fiscal biennium, the legislature
10 may transfer from the education savings account to the state general
11 fund such amounts as reflect the excess fund balance of the account
12 attributable to unspent state general fund appropriations for fiscal
13 year 2008, ~~((and))~~ (e) for fiscal year 2010, the legislature may
14 transfer from the education savings account to the state general fund
15 such amounts as reflect the fund balance of the account attributable to
16 unspent general fund appropriations for fiscal year 2009; and (f) for
17 fiscal years 2012 and 2013, the legislature may transfer from the
18 education savings account to the state general fund such amounts as
19 reflect the fund balance of the account attributable to unspent general
20 fund appropriations for fiscal years 2011 and 2012.

21 **Sec. 947.** RCW 43.79.480 and 2009 c 564 s 937 and 2009 c 479 s 30
22 are each reenacted and amended to read as follows:

23 (1) Moneys received by the state of Washington in accordance with
24 the settlement of the state's legal action against tobacco product
25 manufacturers, exclusive of costs and attorneys' fees, shall be
26 deposited in the tobacco settlement account created in this section
27 except as these moneys are sold or assigned under chapter 43.340 RCW.

28 (2) The tobacco settlement account is created in the state
29 treasury. Moneys in the tobacco settlement account may only be
30 transferred to the state general fund, and to the tobacco prevention
31 and control account for purposes set forth in this section. The
32 legislature shall transfer amounts received as strategic contribution
33 payments as defined in RCW 43.350.010 to the life sciences discovery
34 fund created in RCW 43.350.070. During the 2009-2011 and 2011-2013
35 fiscal ~~((biennium)) biennia~~, the legislature may transfer less than the
36 entire strategic contribution payments, and may transfer amounts

1 attributable to strategic contribution payments into the basic health
2 plan stabilization account.

3 (3) The tobacco prevention and control account is created in the
4 state treasury. The source of revenue for this account is moneys
5 transferred to the account from the tobacco settlement account,
6 investment earnings, donations to the account, and other revenues as
7 directed by law. Expenditures from the account are subject to
8 appropriation. During the 2009-2011 fiscal biennium, the legislature
9 may transfer from the tobacco prevention and control account to the
10 state general fund such amounts as represent the excess fund balance of
11 the account.

12 **Sec. 948.** RCW 43.88.150 and 1995 c 6 s 1 are each amended to read
13 as follows:

14 (1) For those agencies that make expenditures from both
15 appropriated and nonappropriated funds for the same purpose, the
16 governor shall direct such agencies to charge their expenditures in
17 such ratio, as between appropriated and nonappropriated funds, as will
18 conserve appropriated funds. This subsection does not apply to
19 institutions of higher education, as defined in RCW 28B.10.016, except
20 during the 2011-2013 fiscal biennium.

21 (2) Unless otherwise provided by law, if state moneys are
22 appropriated for a capital project and matching funds or other
23 contributions are required as a condition of the receipt of the state
24 moneys, the state moneys shall be disbursed in proportion to and only
25 to the extent that the matching funds or other contributions have been
26 received and are available for expenditure.

27 (3) The office of financial management shall adopt guidelines for
28 the implementation of this section. The guidelines may account for
29 federal matching requirements or other requirements to spend other
30 moneys in a particular manner.

31 **Sec. 949.** RCW 43.101.200 and 1997 c 351 s 13 are each amended to
32 read as follows:

33 (1) All law enforcement personnel, except volunteers, and reserve
34 officers whether paid or unpaid, initially employed on or after January
35 1, 1978, shall engage in basic law enforcement training which complies
36 with standards adopted by the commission pursuant to RCW 43.101.080.

1 For personnel initially employed before January 1, 1990, such training
2 shall be successfully completed during the first fifteen months of
3 employment of such personnel unless otherwise extended or waived by the
4 commission and shall be requisite to the continuation of such
5 employment. Personnel initially employed on or after January 1, 1990,
6 shall commence basic training during the first six months of employment
7 unless the basic training requirement is otherwise waived or extended
8 by the commission. Successful completion of basic training is
9 requisite to the continuation of employment of such personnel initially
10 employed on or after January 1, 1990.

11 (2) Except as otherwise provided in this chapter, the commission
12 shall provide the aforementioned training together with necessary
13 facilities, supplies, materials, and the board and room of noncommuting
14 attendees for seven days per week, except during the 2011-2013 fiscal
15 biennium when the employing, county, city or state law enforcement
16 agency shall reimburse the commission for twenty-five percent of the
17 cost of training its personnel. Additionally, to the extent funds are
18 provided for this purpose, the commission shall reimburse to
19 participating law enforcement agencies with ten or less full-time
20 commissioned patrol officers the cost of temporary replacement of each
21 officer who is enrolled in basic law enforcement training: PROVIDED,
22 That such reimbursement shall include only the actual cost of temporary
23 replacement not to exceed the total amount of salary and benefits
24 received by the replaced officer during his or her training period.

25 **Sec. 950.** RCW 43.135.045 and 2010 1st sp.s. c 27 s 5 are each
26 amended to read as follows:

27 The education construction fund is hereby created in the state
28 treasury.

29 (1) Funds may be appropriated from the education construction fund
30 exclusively for common school construction or higher education
31 construction. During the 2007-2009 fiscal biennium, funds may also be
32 used for higher education facilities preservation and maintenance.
33 During the 2009-2011 (~~fiscal biennium~~) and 2011-2013 fiscal biennia,
34 the legislature may transfer from the education construction fund to
35 the state general fund such amounts as reflect the excess fund balance
36 of the fund.

1 (2) Funds may be appropriated for any other purpose only if
2 approved by a two-thirds vote of each house of the legislature and if
3 approved by a vote of the people at the next general election. An
4 appropriation approved by the people under this subsection shall result
5 in an adjustment to the state expenditure limit only for the fiscal
6 period for which the appropriation is made and shall not affect any
7 subsequent fiscal period.

8 (3) Funds for the student achievement program in RCW 28A.505.210
9 and 28A.505.220 shall be appropriated to the superintendent of public
10 instruction strictly for distribution to school districts to meet the
11 provisions set out in the student achievement act. Allocations shall
12 be made on an equal per full-time equivalent student basis to each
13 school district.

14 (4) After July 1, 2010, the state treasurer shall transfer one
15 hundred two million dollars from the general fund to the education
16 construction fund by June 30th of each year.

17 **Sec. 951.** RCW 43.155.050 and 2010 1st sp.s. c 37 s 932 and 2010
18 1st sp.s. c 36 s 6007 are each reenacted and amended to read as
19 follows:

20 The public works assistance account is hereby established in the
21 state treasury. Money may be placed in the public works assistance
22 account from the proceeds of bonds when authorized by the legislature
23 or from any other lawful source. Money in the public works assistance
24 account shall be used to make loans and to give financial guarantees to
25 local governments for public works projects. Moneys in the account may
26 also be appropriated to provide for state match requirements under
27 federal law for projects and activities conducted and financed by the
28 board under the drinking water assistance account. Not more than
29 fifteen percent of the biennial capital budget appropriation to the
30 public works board from this account may be expended or obligated for
31 preconstruction loans, emergency loans, or loans for capital facility
32 planning under this chapter; of this amount, not more than ten percent
33 of the biennial capital budget appropriation may be expended for
34 emergency loans and not more than one percent of the biennial capital
35 budget appropriation may be expended for capital facility planning
36 loans. For the 2007-2009 biennium, moneys in the account may be used
37 for grants for projects identified in section 138, chapter 488, Laws of

1 2005 and section 1033, chapter 520, Laws of 2007. During the 2009-2011
2 fiscal biennium, sums in the public works assistance account may be
3 used for the water pollution control revolving fund program match in
4 section 3013, chapter 36, Laws of 2010 1st sp. sess. During the 2009-
5 2011 fiscal biennium, the legislature may transfer from the job
6 development fund to the general fund such amounts as reflect the excess
7 fund balance of the fund. During the 2011-2013 fiscal biennium, the
8 legislature may transfer from the public works assistance account to
9 the general fund, the water pollution control revolving account, and
10 the drinking water assistance account such amounts as reflect the
11 excess fund balance of the account.

12 NEW SECTION. Sec. 952. Section 951 (RCW 43.155.050) of this act
13 takes effect June 30, 2011.

14 **Sec. 953.** RCW 43.185.050 and 2006 c 371 s 236 are each amended to
15 read as follows:

16 (1) The department shall use moneys from the housing trust fund and
17 other legislative appropriations to finance in whole or in part any
18 loans or grant projects that will provide housing for persons and
19 families with special housing needs and with incomes at or below fifty
20 percent of the median family income for the county or standard
21 metropolitan statistical area where the project is located. At least
22 thirty percent of these moneys used in any given funding cycle shall be
23 for the benefit of projects located in rural areas of the state as
24 defined by the department. If the department determines that it has
25 not received an adequate number of suitable applications for rural
26 projects during any given funding cycle, the department may allocate
27 unused moneys for projects in nonrural areas of the state.

28 (2) Activities eligible for assistance from the housing trust fund
29 and other legislative appropriations include, but are not limited to:

30 (a) New construction, rehabilitation, or acquisition of low and
31 very low-income housing units;

32 (b) Rent subsidies;

33 (c) Matching funds for social services directly related to
34 providing housing for special-need tenants in assisted projects;

35 (d) Technical assistance, design and finance services and

1 consultation, and administrative costs for eligible nonprofit community
2 or neighborhood-based organizations;

3 (e) Administrative costs for housing assistance groups or
4 organizations when such grant or loan will substantially increase the
5 recipient's access to housing funds other than those available under
6 this chapter;

7 (f) Shelters and related services for the homeless, including
8 emergency shelters and overnight youth shelters;

9 (g) Mortgage subsidies, including temporary rental and mortgage
10 payment subsidies to prevent homelessness;

11 (h) Mortgage insurance guarantee or payments for eligible projects;

12 (i) Down payment or closing cost assistance for eligible first-time
13 home buyers;

14 (j) Acquisition of housing units for the purpose of preservation as
15 low-income or very low-income housing;

16 (k) Projects making housing more accessible to families with
17 members who have disabilities; and

18 (l) During the 2005-2007 fiscal biennium, a manufactured/mobile
19 home landlord-tenant ombudsman conflict resolution and park
20 registration program.

21 (3) During the 2005-2007 fiscal biennium, revenues generated under
22 RCW 36.22.178 may be used for the development of affordable housing
23 projects and other activities funded in section 108, chapter 371, Laws
24 of 2006.

25 (4) Legislative appropriations from capital bond proceeds may be
26 used only for the costs of projects authorized under subsection (2)(a),
27 (i), and (j) of this section, and not for the administrative costs of
28 the department.

29 (5) Moneys from repayment of loans from appropriations from capital
30 bond proceeds may be used for all activities necessary for the proper
31 functioning of the housing assistance program except for activities
32 authorized under subsection (2)(b) and (c) of this section.

33 (6) Administrative costs of the department shall not exceed five
34 percent of the annual funds available for the housing assistance
35 program, except during the 2011-2013 fiscal biennium when
36 administrative costs associated with housing trust fund application,
37 distribution, and project development activities may not exceed three
38 percent of the annual funds available for the housing assistance

1 program; administrative costs associated with compliance and monitoring
2 activities of the department may not exceed one quarter of one percent
3 annually of the contracted amount of state investment in the housing
4 assistance program; and reappropriations may not be included in the
5 calculation of the annual funds available for determining the
6 administrative costs.

7 **Sec. 954.** RCW 43.185A.030 and 2005 c 518 s 1803 and 2005 c 219 s
8 3 are each reenacted and amended to read as follows:

9 (1) Using moneys specifically appropriated for such purpose, the
10 department shall finance in whole or in part projects that will provide
11 housing for low-income households.

12 (2) Activities eligible for assistance include, but are not limited
13 to:

14 (a) New construction, rehabilitation, or acquisition of housing for
15 low-income households;

16 (b) Rent subsidies in new construction or rehabilitated multifamily
17 units;

18 (c) Down payment or closing costs assistance for first-time home
19 buyers;

20 (d) Mortgage subsidies for new construction or rehabilitation of
21 eligible multifamily units; and

22 (e) Mortgage insurance guarantee or payments for eligible projects.

23 (3) Legislative appropriations from capital bond proceeds may be
24 used only for the costs of projects authorized under subsection (2)
25 (a), (c), (d), and (e) of this section, and not for the administrative
26 costs of the department.

27 (4) Moneys from repayment of loans from appropriations from capital
28 bond proceeds may be used for all activities necessary for the proper
29 functioning of the affordable housing program except for activities
30 authorized under subsection (2)(b) of this section.

31 (5) Administrative costs of the department shall not exceed four
32 percent of the annual funds available for the affordable housing
33 program, except during the 2011-2013 fiscal biennium when
34 administrative costs associated with housing trust fund application,
35 distribution, and project development activities may not exceed three
36 percent of the annual funds available for the housing assistance
37 program; administrative costs associated with compliance and monitoring

1 activities of the department may not exceed one quarter of one percent
2 annually of the contracted amount of state investment in the housing
3 assistance program; and reappropriations may not be included in the
4 calculation of the annual funds available for determining the
5 administrative costs.

6 **Sec. 955.** RCW 43.185C.190 and 2007 c 427 s 2 are each amended to
7 read as follows:

8 The affordable housing for all account is created in the state
9 treasury, subject to appropriation. The state's portion of the
10 surcharges established in RCW 36.22.178 shall be deposited in the
11 account. Expenditures from the account may only be used for affordable
12 housing programs. During the 2011-2013 fiscal biennium, moneys in the
13 account may be transferred to the home security fund.

14 **Sec. 956.** RCW 43.330.250 and 2009 c 565 s 13 and 2009 c 564 s 943
15 are each reenacted and amended to read as follows:

16 (1) The economic development strategic reserve account is created
17 in the state treasury to be used only for the purposes of this section.

18 (2) Only the governor, with the recommendation of the director of
19 the department of commerce and the economic development commission, may
20 authorize expenditures from the account.

21 (3) Expenditures from the account shall be made in an amount
22 sufficient to fund a minimum of one staff position for the economic
23 development commission and to cover any other operational costs of the
24 commission.

25 (4) During the 2009-2011 (~~fiscal biennium~~) and 2011-2013 fiscal
26 biennia, moneys in the account may also be transferred into the state
27 general fund.

28 (5) Expenditures from the account may be made to prevent closure of
29 a business or facility, to prevent relocation of a business or facility
30 in the state to a location outside the state, or to recruit a business
31 or facility to the state. Expenditures may be authorized for:

32 (a) Workforce development;

33 (b) Public infrastructure needed to support or sustain the
34 operations of the business or facility; and

35 (c) Other lawfully provided assistance, including, but not limited
36 to, technical assistance, environmental analysis, relocation

1 assistance, and planning assistance. Funding may be provided for such
2 assistance only when it is in the public interest and may only be
3 provided under a contractual arrangement ensuring that the state will
4 receive appropriate consideration, such as an assurance of job creation
5 or retention.

6 (6) The funds shall not be expended from the account unless:

7 (a) The circumstances are such that time does not permit the
8 director of the department of commerce or the business or facility to
9 secure funding from other state sources;

10 (b) The business or facility produces or will produce significant
11 long-term economic benefits to the state, a region of the state, or a
12 particular community in the state;

13 (c) The business or facility does not require continuing state
14 support;

15 (d) The expenditure will result in new jobs, job retention, or
16 higher incomes for citizens of the state;

17 (e) The expenditure will not supplant private investment; and

18 (f) The expenditure is accompanied by private investment.

19 (7) No more than three million dollars per year may be expended
20 from the account for the purpose of assisting an individual business or
21 facility pursuant to the authority specified in this section.

22 (8) If the account balance in the strategic reserve account exceeds
23 fifteen million dollars at any time, the amount in excess of fifteen
24 million dollars shall be transferred to the education construction
25 account.

26 **Sec. 957.** RCW 43.336.020 and 2009 c 549 s 5178 are each amended to
27 read as follows:

28 (1) The Washington tourism commission is created.

29 (2) The commission shall be cochaired by the director of the
30 department or the director's designee, and by an industry-member
31 representative who is elected by the commission members.

32 (3) The commission shall have nineteen members. In appointing
33 members, the governor shall endeavor to balance the geographic and
34 demographic composition of the commission to include members with
35 special expertise from tourism organizations, local jurisdictions, and
36 small businesses directly engaged in tourism-related activities.
37 Before making appointments to the Washington tourism commission, the

1 governor shall consider nominations from recognized organizations that
2 represent the entities or interests identified in this section.
3 Commission members shall be appointed by the governor as follows:

4 (a) Three members to represent the lodging industry, at least two
5 of which shall be chosen from a list of three nominees per position
6 submitted by the state's largest lodging industry trade association.
7 Members should represent all property categories and different regions
8 of the state;

9 (b) Three representatives from nonprofit destination marketing
10 organizations or visitor and convention bureaus;

11 (c) Three industry representatives from the arts, entertainment,
12 attractions, or recreation industry;

13 (d) Four private industry representatives, two from each of the
14 business categories in this subsection:

15 (i) The food, beverage, and wine industries; and

16 (ii) The travel and transportation industries;

17 (e) Four legislative members, one from each major caucus of the
18 senate, designated by the president of the senate, and one from each
19 major caucus of the house of representatives, designated by the speaker
20 of the house of representatives;

21 (f) The chair of the Washington convention and trade center; and

22 (g) The director or the director's designee.

23 (4)(a) Terms of nonlegislative members shall be three years, except
24 that initial terms shall be staggered such that terms of one-third of
25 the initial members shall expire each year.

26 (b) Terms of legislative members shall be two years.

27 (c) Vacancies shall be appointed in the same manner as the original
28 appointment.

29 (d) A member appointed by the governor may not be absent from more
30 than fifty percent of the regularly scheduled meetings in any one
31 calendar year. Any member who exceeds this absence limitation is
32 deemed to have withdrawn from the office and may be replaced by the
33 governor.

34 (5) Members shall be reimbursed for travel expenses as provided in
35 RCW 43.03.050 and 43.03.060.

36 (6) The commission shall meet at least four times per year, but may
37 meet more frequently as necessary.

38 (7) A majority of members currently appointed constitutes a quorum.

1 (8) Staff support shall be provided by the department, and staff
2 shall report to the executive director.

3 (9) The director, in consultation with the commission, shall
4 appoint an executive director.

5 (10) The commission may adopt rules under chapter 34.05 RCW as
6 necessary to carry out the purposes of this chapter.

7 (11) During the 2011-2013 fiscal biennium, the commission and its
8 activities and responsibilities are suspended.

9 **Sec. 958.** RCW 46.66.080 and 2011 c 5 s 915 are each amended to
10 read as follows:

11 (1) The Washington auto theft prevention authority account is
12 created in the state treasury, subject to appropriation. All revenues
13 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all
14 receipts from gifts, grants, bequests, devises, or other funds from
15 public and private sources to support the activities of the auto theft
16 prevention authority must be deposited into the account. Expenditures
17 from the account may be used only for activities relating to motor
18 vehicle theft, including education, prevention, law enforcement,
19 investigation, prosecution, and confinement. During the 2009-2011 and
20 2011-2013 fiscal (~~(biennium)~~) biennia, the legislature may appropriate
21 moneys from the Washington auto theft prevention authority account for
22 criminal justice purposes and community building and may transfer funds
23 to the state general fund such amounts as reflect the excess fund
24 balance of the account.

25 (2) The authority shall allocate moneys appropriated from the
26 account to public agencies for the purpose of establishing,
27 maintaining, and supporting programs that are designed to prevent motor
28 vehicle theft, including:

29 (a) Financial support to prosecution agencies to increase the
30 effectiveness of motor vehicle theft prosecution;

31 (b) Financial support to a unit of local government or a team
32 consisting of units of local governments to increase the effectiveness
33 of motor vehicle theft enforcement;

34 (c) Financial support for the procurement of equipment and
35 technologies for use by law enforcement agencies for the purpose of
36 enforcing motor vehicle theft laws; and

1 (d) Financial support for programs that are designed to educate and
2 assist the public in the prevention of motor vehicle theft.

3 (3) The costs of administration shall not exceed ten percent of the
4 moneys in the account in any one year so that the greatest possible
5 portion of the moneys available to the authority is expended on
6 combating motor vehicle theft.

7 (4) Prior to awarding any moneys from the Washington auto theft
8 prevention authority account for motor vehicle theft enforcement, the
9 auto theft prevention authority must verify that the financial award
10 includes sufficient funding to cover proposed activities, which
11 include, but are not limited to: (a) State, municipal, and county
12 offender and juvenile confinement costs; (b) administration costs; (c)
13 law enforcement costs; (d) prosecutor costs; and (e) court costs, with
14 a priority being given to ensuring that sufficient funding is available
15 to cover state, municipal, and county offender and juvenile confinement
16 costs.

17 (5) Moneys expended from the Washington auto theft prevention
18 authority account under subsection (2) of this section shall be used to
19 supplement, not supplant, other moneys that are available for motor
20 vehicle theft prevention.

21 (6) Grants provided under subsection (2) of this section constitute
22 reimbursement for purposes of RCW 43.135.060(1).

23 **Sec. 959.** RCW 66.08.170 and 2009 c 564 s 947 are each amended to
24 read as follows:

25 There shall be a fund, known as the "liquor revolving fund", which
26 shall consist of all license fees, permit fees, penalties, forfeitures,
27 and all other moneys, income, or revenue received by the board. The
28 state treasurer shall be custodian of the fund. All moneys received by
29 the board or any employee thereof, except for change funds and an
30 amount of petty cash as fixed by the board within the authority of law
31 shall be deposited each day in a depository approved by the state
32 treasurer and transferred to the state treasurer to be credited to the
33 liquor revolving fund. During the 2009-2011 fiscal biennium, the
34 legislature may transfer funds from the liquor revolving account [fund]
35 to the state general fund and may direct an additional amount of liquor
36 profits to be distributed to local governments. Neither the transfer
37 of funds nor the additional distribution of liquor profits to local

1 governments during the 2009-2011 fiscal biennium may reduce the excess
2 fund distributions that otherwise would occur under RCW 66.08.190.
3 During the 2011-2013 fiscal biennium, the state treasurer shall
4 transfer from the liquor revolving fund to the state general fund
5 forty-two million five hundred thousand dollars for fiscal year 2012
6 and forty-two million five hundred thousand dollars for fiscal year
7 2013. The transfer during the 2011-2013 fiscal biennium may not reduce
8 the excess fund distributions that otherwise would occur under RCW
9 66.08.190. Sales to licensees are exempt from any liquor price
10 increases that may result from the transfer of funds from the liquor
11 revolving fund to the state general fund during the 2011-2013 fiscal
12 biennium. Disbursements from the revolving fund shall be on
13 authorization of the board or a duly authorized representative thereof.
14 In order to maintain an effective expenditure and revenue control the
15 liquor revolving fund shall be subject in all respects to chapter 43.88
16 RCW but no appropriation shall be required to permit expenditures and
17 payment of obligations from such fund.

18 **Sec. 960.** RCW 66.08.190 and 2003 1st sp.s. c 25 s 927 are each
19 amended to read as follows:

20 (1) Except for revenues generated by the 2003 surcharge of
21 \$0.42/liter on retail sales of spirits that (~~shall~~) must be
22 distributed to the state general fund during the 2003-2005 biennium,
23 when excess funds are distributed, all moneys subject to distribution
24 (~~shall~~) must be disbursed as follows:

25 (a) Three-tenths of one percent to border areas under RCW
26 66.08.195; and

27 (b) Except as provided in subsection (4) of this section, from the
28 amount remaining after distribution under (a) of this subsection, (i)
29 fifty percent to the general fund of the state, (ii) ten percent to the
30 counties of the state, and (iii) forty percent to the incorporated
31 cities and towns of the state.

32 (2) During the months of June, September, December, and March of
33 each year, prior to disbursing the distribution to incorporated cities
34 and towns under subsection (1)(b) of this section, the treasurer
35 (~~shall~~) must deduct from that distribution an amount that will fund
36 that quarter's allotments under RCW 43.88.110 from any legislative

1 appropriation from the city and town research services account. The
2 treasurer (~~shall~~) must deposit the amount deducted into the city and
3 town research services account.

4 (3) The governor may notify and direct the state treasurer to
5 withhold the revenues to which the counties and cities are entitled
6 under this section if the counties or cities are found to be in
7 noncompliance pursuant to RCW 36.70A.340.

8 (4) During the 2011-2013 fiscal biennium, from the amount remaining
9 after distribution under subsection (1)(a) of this section, (a) 51.7
10 percent to the general fund of the state, (b) 9.7 percent to the
11 counties of the state, and (c) 38.6 percent to the incorporated cities
12 and towns of the state.

13 **Sec. 961.** RCW 66.08.235 and 2005 c 151 s 4 are each amended to
14 read as follows:

15 The liquor control board construction and maintenance account is
16 created within the state treasury. The liquor control board shall
17 deposit into this account a portion of the board's markup, as
18 authorized by chapter 66.16 RCW, placed upon liquor as determined by
19 the board. Moneys in the account may be spent only after
20 appropriation. The liquor control board shall use deposits to this
21 account to fund construction and maintenance of a centralized
22 distribution center for liquor products intended for sale through the
23 board's liquor store and contract liquor store system. During the
24 (~~2001-2003~~) 2011-2013 fiscal biennium, the legislature may transfer
25 from the liquor control board construction and maintenance account to
26 the state general fund such amounts as reflect the (~~appropriations~~
27 ~~reductions made by the 2002 supplemental appropriations act for~~
28 ~~administrative efficiencies and savings~~) excess fund balance of the
29 account.

30 **Sec. 962.** RCW 67.70.260 and 2002 c 371 s 919 are each amended to
31 read as follows:

32 There is hereby created the lottery administrative account in the
33 state treasury. The account shall be managed, controlled, and
34 maintained by the director. The legislature may appropriate from the
35 account for the payment of costs incurred in the operation and
36 administration of the lottery. During the 2001-2003 fiscal biennium,

1 the legislature may transfer from the lottery administrative account to
2 the state general fund such amounts as reflect the appropriations
3 reductions made by the 2002 supplemental appropriations act for
4 administrative efficiencies and savings. During the 2011-2013 fiscal
5 biennium, the lottery administrative account may also be used to fund
6 an independent forecast of the lottery revenues conducted by the
7 economic and revenue forecast council.

8 **Sec. 963.** RCW 70.93.180 and 2010 1st sp.s. c 37 s 945 are each
9 amended to read as follows:

10 (1) There is hereby created an account within the state treasury to
11 be known as the "waste reduction, recycling, and litter control
12 account". Moneys in the account may be spent only after appropriation.
13 Expenditures from the waste reduction, recycling, and litter control
14 account shall be used as follows:

15 (a) Fifty percent to the department of ecology, for use by the
16 departments of ecology, natural resources, revenue, transportation, and
17 corrections, and the parks and recreation commission, for use in litter
18 collection programs, to be distributed under RCW 70.93.220. The amount
19 to the department of ecology shall also be used for a central
20 coordination function for litter control efforts statewide, for the
21 biennial litter survey under RCW 70.93.200(8), and for statewide public
22 awareness programs under RCW 70.93.200(7). The amount to the
23 department shall also be used to defray the costs of administering the
24 funding, coordination, and oversight of local government programs for
25 waste reduction, litter control, and recycling, so that local
26 governments can apply one hundred percent of their funding to achieving
27 program goals. The amount to the department of revenue shall be used
28 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

29 (b) Twenty percent to the department for local government funding
30 programs for waste reduction, litter control, and recycling activities
31 by cities and counties under RCW 70.93.250, to be administered by the
32 department of ecology; and

33 (c) Thirty percent to the department of ecology for waste reduction
34 and recycling efforts.

35 (2) All taxes imposed in RCW 82.19.010 and fines and bail
36 forfeitures collected or received pursuant to this chapter shall be

1 deposited in the waste reduction, recycling, and litter control account
2 and used for the programs under subsection (1) of this section.

3 (3) Not less than five percent and no more than ten percent of the
4 amount appropriated into the waste reduction, recycling, and litter
5 control account every biennium shall be reserved for capital needs,
6 including the purchase of vehicles for transporting crews and for
7 collecting litter and solid waste. Capital funds shall be distributed
8 among state agencies and local governments according to the same
9 criteria provided in RCW 70.93.220 for the remainder of the funds, so
10 that the most effective waste reduction, litter control, and recycling
11 programs receive the most funding. The intent of this subsection is to
12 provide funds for the purchase of equipment that will enable the
13 department to account for the greatest return on investment in terms of
14 reaching a zero litter goal.

15 (4) During the 2009-2011 fiscal biennium, the legislature may
16 transfer from the waste reduction, recycling, and litter control
17 account to the state general fund such amounts as reflect the excess
18 fund balance of the account. Additionally, during the 2009-2011 fiscal
19 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

20 (5) During the 2011-2013 fiscal biennium, the legislature may
21 transfer from the waste reduction, recycling, and litter control
22 account to the state general fund such amounts as reflect the excess
23 fund balance of the account. Additionally, during the 2011-2013 fiscal
24 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

25 **Sec. 964.** RCW 70.105D.070 and 2010 1st sp.s. c 37 s 942 are each
26 amended to read as follows:

27 (1) The state toxics control account and the local toxics control
28 account are hereby created in the state treasury.

29 (2) The following moneys shall be deposited into the state toxics
30 control account: (a) Those revenues which are raised by the tax
31 imposed under RCW 82.21.030 and which are attributable to that portion
32 of the rate equal to thirty-three one-hundredths of one percent; (b)
33 the costs of remedial actions recovered under this chapter or chapter
34 70.105A RCW; (c) penalties collected or recovered under this chapter;
35 and (d) any other money appropriated or transferred to the account by
36 the legislature. Moneys in the account may be used only to carry out

1 the purposes of this chapter, including but not limited to the
2 following activities:

3 (i) The state's responsibility for hazardous waste planning,
4 management, regulation, enforcement, technical assistance, and public
5 education required under chapter 70.105 RCW;

6 (ii) The state's responsibility for solid waste planning,
7 management, regulation, enforcement, technical assistance, and public
8 education required under chapter 70.95 RCW;

9 (iii) The hazardous waste cleanup program required under this
10 chapter;

11 (iv) State matching funds required under the federal cleanup law;

12 (v) Financial assistance for local programs in accordance with
13 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

14 (vi) State government programs for the safe reduction, recycling,
15 or disposal of hazardous wastes from households, small businesses, and
16 agriculture;

17 (vii) Hazardous materials emergency response training;

18 (viii) Water and environmental health protection and monitoring
19 programs;

20 (ix) Programs authorized under chapter 70.146 RCW;

21 (x) A public participation program, including regional citizen
22 advisory committees;

23 (xi) Public funding to assist potentially liable persons to pay for
24 the costs of remedial action in compliance with cleanup standards under
25 RCW 70.105D.030(2)(e) but only when the amount and terms of such
26 funding are established under a settlement agreement under RCW
27 70.105D.040(4) and when the director has found that the funding will
28 achieve both (A) a substantially more expeditious or enhanced cleanup
29 than would otherwise occur, and (B) the prevention or mitigation of
30 unfair economic hardship;

31 (xii) Development and demonstration of alternative management
32 technologies designed to carry out the hazardous waste management
33 priorities of RCW 70.105.150;

34 (xiii) During the 2009-2011 and 2011-2013 fiscal (~~biennium~~)
35 biennia, shoreline update technical assistance; (~~and~~)

36 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional
37 permitting teams; and

1 (xv) During the 2011-2013 fiscal biennium, actions for reducing
2 public exposure to toxic air pollution.

3 (3) The following moneys shall be deposited into the local toxics
4 control account: Those revenues which are raised by the tax imposed
5 under RCW 82.21.030 and which are attributable to that portion of the
6 rate equal to thirty-seven one-hundredths of one percent.

7 (a) Moneys deposited in the local toxics control account shall be
8 used by the department for grants or loans to local governments for the
9 following purposes in descending order of priority:

10 (i) Remedial actions;

11 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

12 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
13 70.95I, and 70.105 RCW;

14 (iv) Funds for a program to assist in the assessment and cleanup of
15 sites of methamphetamine production, but not to be used for the initial
16 containment of such sites, consistent with the responsibilities and
17 intent of RCW 69.50.511; and

18 (v) Cleanup and disposal of hazardous substances from abandoned or
19 derelict vessels, defined for the purposes of this section as vessels
20 that have little or no value and either have no identified owner or
21 have an identified owner lacking financial resources to clean up and
22 dispose of the vessel, that pose a threat to human health or the
23 environment.

24 (b) Funds for plans and programs shall be allocated consistent with
25 the priorities and matching requirements established in chapters
26 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
27 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
28 project that is referenced in the action agenda developed by the Puget
29 Sound partnership under RCW 90.71.310, shall, except as conditioned by
30 RCW 70.105D.120, receive priority for any available funding for any
31 grant or funding programs or sources that use a competitive bidding
32 process. During the 2007-2009 fiscal biennium, moneys in the account
33 may also be used for grants to local governments to retrofit public
34 sector diesel equipment and for storm water planning and implementation
35 activities.

36 (c) To expedite cleanups throughout the state, the department shall
37 partner with local communities and liable parties for cleanups. The

1 department is authorized to use the following additional strategies in
2 order to ensure a healthful environment for future generations:

3 (i) The director may alter grant-matching requirements to create
4 incentives for local governments to expedite cleanups when one of the
5 following conditions exists:

6 (A) Funding would prevent or mitigate unfair economic hardship
7 imposed by the clean-up liability;

8 (B) Funding would create new substantial economic development,
9 public recreational, or habitat restoration opportunities that would
10 not otherwise occur; or

11 (C) Funding would create an opportunity for acquisition and
12 redevelopment of vacant, orphaned, or abandoned property under RCW
13 70.105D.040(5) that would not otherwise occur;

14 (ii) The use of outside contracts to conduct necessary studies;

15 (iii) The purchase of remedial action cost-cap insurance, when
16 necessary to expedite multiparty clean-up efforts.

17 (d) To facilitate and expedite cleanups using funds from the local
18 toxics control account, during the 2009-2011 fiscal biennium the
19 director may establish grant-funded accounts to hold and disperse local
20 toxics control account funds and funds from local governments to be
21 used for remedial actions.

22 (4) Except for unanticipated receipts under RCW 43.79.260 through
23 43.79.282, moneys in the state and local toxics control accounts may be
24 spent only after appropriation by statute.

25 (5) Except during the 2009-2011 fiscal biennium, one percent of the
26 moneys deposited into the state and local toxics control accounts shall
27 be allocated only for public participation grants to persons who may be
28 adversely affected by a release or threatened release of a hazardous
29 substance and to not-for-profit public interest organizations. The
30 primary purpose of these grants is to facilitate the participation by
31 persons and organizations in the investigation and remedying of
32 releases or threatened releases of hazardous substances and to
33 implement the state's solid and hazardous waste management priorities.
34 No grant may exceed sixty thousand dollars. Grants may be renewed
35 annually. Moneys appropriated for public participation from either
36 account which are not expended at the close of any biennium shall
37 revert to the state toxics control account.

1 (6) No moneys deposited into either the state or local toxics
2 control account may be used for solid waste incinerator feasibility
3 studies, construction, maintenance, or operation, or, after January 1,
4 2010, for projects designed to address the restoration of Puget Sound,
5 funded in a competitive grant process, that are in conflict with the
6 action agenda developed by the Puget Sound partnership under RCW
7 90.71.310.

8 (7) The department shall adopt rules for grant or loan issuance and
9 performance.

10 (8) During the 2007-2009 and 2009-2011 fiscal biennia, the
11 legislature may transfer from the local toxics control account to
12 either the state general fund or the oil spill prevention account, or
13 both such amounts as reflect excess fund balance in the account.

14 (9) During the 2009-2011 fiscal biennium, the local toxics control
15 account may also be used for a standby rescue tug at Neah Bay, local
16 government shoreline update grants, private and public sector diesel
17 equipment retrofit, and oil spill prevention, preparedness, and
18 response activities.

19 (10) During the 2009-2011 fiscal biennium, the legislature may
20 transfer from the state toxics control account to the state general
21 fund such amounts as reflect the excess fund balance in the account.

22 (11) During the 2011-2013 fiscal biennium, the local toxics control
23 account may also be used for local government shoreline update grants
24 and actions for reducing public exposure to toxic air pollution.

25 **Sec. 965.** RCW 74.13.621 and 2009 c 564 s 954 are each amended to
26 read as follows:

27 (1) Within existing resources, the department shall establish an
28 oversight committee to monitor, guide, and report on kinship care
29 recommendations and implementation activities. The committee shall:

30 (a) Draft a kinship care definition that is restricted to persons
31 related by blood, marriage, or adoption, including marriages that have
32 been dissolved, or for a minor defined as an "Indian child" under the
33 federal Indian child welfare act (25 U.S.C. Sec. 1901 et seq.), the
34 definition of "extended family member" under the federal Indian child
35 welfare act, and a set of principles. If the committee concludes that
36 one or more programs or services would be more efficiently and
37 effectively delivered under a different definition of kin, it shall

1 state what definition is needed, and identify the program or service in
2 the report. It shall also provide evidence of how the program or
3 service will be more efficiently and effectively delivered under the
4 different definition. The department shall not adopt rules or policies
5 changing the definition of kin without authorizing legislation;

6 (b) Monitor and provide consultation on the implementation of
7 recommendations contained in the 2002 kinship care report, including
8 but not limited to the recommendations relating to legal and respite
9 care services and resources;

10 (c) Partner with nonprofit organizations and private sector
11 businesses to guide a public education awareness campaign; and

12 (d) Assist with developing future recommendations on kinship care
13 issues.

14 (2) The department shall consult with the oversight committee on
15 its efforts to better collaborate and coordinate services to benefit
16 kinship care families.

17 (3) The oversight committee must consist of a minimum of thirty
18 percent kinship caregivers, who shall represent a diversity of kinship
19 families. Statewide representation with geographic, ethnic, and gender
20 diversity is required. Other members shall include representatives of
21 the department, representatives of relevant state agencies,
22 representatives of the private nonprofit and business sectors, child
23 advocates, representatives of Washington state Indian tribes as defined
24 under the federal Indian welfare act (25 U.S.C. Sec. 1901 et seq.), and
25 representatives of the legal or judicial field. Birth parents, foster
26 parents, and others who have an interest in these issues may also be
27 included.

28 (4) To the extent funding is available, the department may
29 reimburse nondepartmental members of the oversight committee for costs
30 incurred in participating in the meetings of the oversight committee.

31 (5) The kinship care oversight committee shall update the
32 legislature and governor annually on committee activities, with the
33 first update due by January 1, 2006.

34 (6) This section expires June 30, (~~(2011)~~) 2013.

35 **Sec. 966.** RCW 79.64.040 and 2009 c 564 s 957 are each amended to
36 read as follows:

37 (1) The board shall determine the amount deemed necessary in order

1 to achieve the purposes of this chapter and shall provide by rule for
2 the deduction of this amount from the moneys received from all leases,
3 sales, contracts, licenses, permits, easements, and rights-of-way
4 issued by the department and affecting state lands and aquatic lands,
5 provided that no deduction shall be made from the proceeds from
6 agricultural college lands.

7 (2) Moneys received as deposits from successful bidders, advance
8 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
9 prior to December 1, 1981, which have not been subjected to deduction
10 under this section are not subject to deduction under this section.

11 (3) Except as otherwise provided in subsection (5) of this section,
12 the deductions authorized under this section shall not exceed twenty-
13 five percent of the moneys received by the department in connection
14 with any one transaction pertaining to state lands and aquatic lands
15 other than second-class tide and shore lands and the beds of navigable
16 waters, and fifty percent of the moneys received by the department
17 pertaining to second-class tide and shore lands and the beds of
18 navigable waters.

19 (4) In the event that the department sells logs using the contract
20 harvesting process described in RCW 79.15.500 through 79.15.530, the
21 moneys received subject to this section are the net proceeds from the
22 contract harvesting sale.

23 (5) During the 2009-2011 fiscal biennium and fiscal year 2012, the
24 twenty-five percent limitation on deductions set in subsection (3) of
25 this section may be increased up to thirty percent by the board.

26 **Sec. 967.** RCW 79.105.150 and 2010 1st sp.s. c 37 s 949 are each
27 amended to read as follows:

28 (1) After deduction for management costs as provided in RCW
29 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
30 received by the state from the sale or lease of state-owned aquatic
31 lands and from the sale of valuable material from state-owned aquatic
32 lands shall be deposited in the aquatic lands enhancement account which
33 is hereby created in the state treasury. After appropriation, these
34 funds shall be used solely for aquatic lands enhancement projects; for
35 the purchase, improvement, or protection of aquatic lands for public
36 purposes; for providing and improving access to the lands; and for
37 volunteer cooperative fish and game projects. During the 2009-2011 and

1 2011-2013 fiscal (~~(biennium)~~) biennia, the aquatic lands enhancement
2 account may also be used for scientific research as part of the
3 adaptive management process and for developing a planning report for
4 McNeil Island. During the 2009-2011 (~~(fiscal biennium)~~) and 2011-2013
5 fiscal biennia, the legislature may transfer from the aquatic lands
6 enhancement account to the state general fund such amounts as reflect
7 excess fund balance of the account.

8 (2) In providing grants for aquatic lands enhancement projects, the
9 recreation and conservation funding board shall:

10 (a) Require grant recipients to incorporate the environmental
11 benefits of the project into their grant applications;

12 (b) Utilize the statement of environmental benefits, consideration,
13 except as provided in RCW 79.105.610, of whether the applicant is a
14 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
15 referenced in the action agenda developed by the Puget Sound
16 partnership under RCW 90.71.310, and except as otherwise provided in
17 RCW 79.105.630, and effective one calendar year following the
18 development and statewide availability of model evergreen community
19 management plans and ordinances under RCW 35.105.050, whether the
20 applicant is an entity that has been recognized, and what gradation of
21 recognition was received, in the evergreen community recognition
22 program created in RCW 35.105.030 in its prioritization and selection
23 process; and

24 (c) Develop appropriate outcome-focused performance measures to be
25 used both for management and performance assessment of the grants.

26 (3) To the extent possible, the department should coordinate its
27 performance measure system with other natural resource-related agencies
28 as defined in RCW 43.41.270.

29 (4) The department shall consult with affected interest groups in
30 implementing this section.

31 (5) After January 1, 2010, any project designed to address the
32 restoration of Puget Sound may be funded under this chapter only if the
33 project is not in conflict with the action agenda developed by the
34 Puget Sound partnership under RCW 90.71.310.

35 **Sec. 968.** RCW 80.36.430 and 2011 c 5 s 919 are each amended to
36 read as follows:

37 (1) The Washington telephone assistance program shall be funded by

1 a telephone assistance excise tax on all switched access lines and by
2 funds from any federal government or other programs for this purpose.
3 Switched access lines are defined in RCW 82.14B.020. The telephone
4 assistance excise tax shall be applied equally to all residential and
5 business access lines not to exceed fourteen cents per month. The
6 department shall submit an approved annual budget for the Washington
7 telephone assistance program to the department of revenue no later than
8 March 1st prior to the beginning of each fiscal year. The department
9 of revenue shall then determine the amount of telephone assistance
10 excise tax to be placed on each switched access line and shall inform
11 local exchange companies and the utilities and transportation
12 commission of this amount no later than May 1st. The department of
13 revenue shall determine the amount of telephone assistance excise tax
14 by dividing the total of the program budget funded by the telephone
15 assistance excise tax, as submitted by the department, by the total
16 number of switched access lines in the prior calendar year. The
17 telephone assistance excise tax shall be separately identified on each
18 ratepayer's bill as the "Washington telephone assistance program." All
19 money collected from the telephone assistance excise tax shall be
20 transferred to a telephone assistance fund administered by the
21 department.

22 (2) Local exchange companies shall bill the fund for their expenses
23 incurred in offering the telephone assistance program, including
24 administrative and program expenses. The department shall disburse the
25 money to the local exchange companies. The department is exempted from
26 having to conclude a contract with local exchange companies in order to
27 effect this reimbursement. The department shall recover its
28 administrative costs from the fund. The department may specify by rule
29 the range and extent of administrative and program expenses that will
30 be reimbursed to local exchange companies.

31 (3) The department shall enter into an agreement with the
32 department of commerce for an amount not to exceed eight percent of the
33 prior fiscal year's total revenue for the administrative and program
34 expenses of providing community service voice mail services. The
35 community service voice mail service may include toll-free lines in
36 community action agencies through which recipients can access their
37 community service voice mailboxes at no charge.

1 (4) During the 2009-2011 (~~biennium~~) and 2011-2013 biennia, the
2 department shall enter into an agreement with the WIN 211 organization
3 for operational support. During the 2011-2013 biennium, the department
4 shall provide five hundred thousand dollars per fiscal year for this
5 purpose.

6 (5) During the 2009-2011 biennium, the telephone assistance fund
7 shall also be used in support of the economic services administration
8 call centers and related operations.

9 **Sec. 969.** RCW 82.08.160 and 1982 1st ex.s. c 35 s 4 are each
10 amended to read as follows:

11 (1) On or before the twenty-fifth day of each month, all taxes
12 collected under RCW 82.08.150 during the preceding month (~~shall~~) must
13 be remitted to the state department of revenue, to be deposited with
14 the state treasurer. ~~Except as provided in subsection (2) of this~~
15 section, upon receipt of such moneys the state treasurer (~~shall~~) must
16 credit sixty-five percent of the sums collected and remitted under RCW
17 82.08.150 (1) and (2) and one hundred percent of the sums collected and
18 remitted under RCW 82.08.150 (3) and (4) to the state general fund and
19 thirty-five percent of the sums collected and remitted under RCW
20 82.08.150 (1) and (2) to a fund which is hereby created to be known as
21 the "liquor excise tax fund."

22 (2) During the 2011-2013 fiscal biennium, 66.19 percent of the sums
23 collected and remitted under RCW 82.08.150 (1) and (2) must be
24 deposited in the state general fund and the remainder collected and
25 remitted under RCW 82.08.150 (1) and (2) must be deposited in the
26 liquor excise tax fund.

27 **Sec. 970.** RCW 82.14.310 and 2005 c 282 s 49 are each amended to
28 read as follows:

29 (1) The county criminal justice assistance account is created in
30 the state treasury. Beginning in fiscal year 2000, the state treasurer
31 (~~shall~~) must transfer into the county criminal justice assistance
32 account from the general fund the sum of twenty-three million two
33 hundred thousand dollars divided into four equal deposits occurring on
34 July 1, October 1, January 1, and April 1. For each fiscal year
35 thereafter, the state treasurer (~~shall~~) must increase the total

1 transfer by the fiscal growth factor, as defined in RCW 43.135.025,
2 forecast for that fiscal year by the office of financial management in
3 November of the preceding year.

4 (2) The moneys deposited in the county criminal justice assistance
5 account for distribution under this section, less any moneys
6 appropriated for purposes under subsection (4) of this section,
7 (~~shall~~) must be distributed at such times as distributions are made
8 under RCW 82.44.150 and on the relative basis of each county's funding
9 factor as determined under this subsection.

10 (a) A county's funding factor is the sum of:

11 (i) The population of the county, divided by one thousand, and
12 multiplied by two-tenths;

13 (ii) The crime rate of the county, multiplied by three-tenths; and

14 (iii) The annual number of criminal cases filed in the county
15 superior court, for each one thousand in population, multiplied by
16 five-tenths.

17 (b) Under this section and RCW 82.14.320 and 82.14.330:

18 (i) The population of the county or city (~~shall be~~) is as last
19 determined by the office of financial management;

20 (ii) The crime rate of the county or city is the annual occurrence
21 of specified criminal offenses, as calculated in the most recent annual
22 report on crime in Washington state as published by the Washington
23 association of sheriffs and police chiefs, for each one thousand in
24 population;

25 (iii) The annual number of criminal cases filed in the county
26 superior court (~~shall~~) must be determined by the most recent annual
27 report of the courts of Washington, as published by the administrative
28 office of the courts;

29 (iv) Distributions and eligibility for distributions in the (~~1989-~~
30 ~~91~~) 1989-1991 biennium (~~shall~~) must be based on 1988 figures for
31 both the crime rate as described under (ii) of this subsection and the
32 annual number of criminal cases that are filed as described under (iii)
33 of this subsection. Future distributions (~~shall~~) must be based on
34 the most recent figures for both the crime rate as described under (ii)
35 of this subsection and the annual number of criminal cases that are
36 filed as described under (iii) of this subsection.

37 (3) Moneys distributed under this section (~~shall~~) must be
38 expended exclusively for criminal justice purposes and (~~shall~~) may

1 not be used to replace or supplant existing funding. Criminal justice
2 purposes are defined as activities that substantially assist the
3 criminal justice system, which may include circumstances where
4 ancillary benefit to the civil or juvenile justice system occurs, and
5 which includes (a) domestic violence services such as those provided by
6 domestic violence programs, community advocates, and legal advocates,
7 as defined in RCW 70.123.020, and (b) during the 2001-2003 fiscal
8 biennium, juvenile dispositional hearings relating to petitions for at-
9 risk youth, truancy, and children in need of services. Existing
10 funding for purposes of this subsection is defined as calendar year
11 1989 actual operating expenditures for criminal justice purposes.
12 Calendar year 1989 actual operating expenditures for criminal justice
13 purposes exclude the following: Expenditures for extraordinary events
14 not likely to reoccur, changes in contract provisions for criminal
15 justice services, beyond the control of the local jurisdiction
16 receiving the services, and major nonrecurring capital expenditures.

17 (4) Not more than five percent of the funds deposited to the county
18 criminal justice assistance account (~~shall~~) may be available for
19 appropriations for enhancements to the state patrol crime laboratory
20 system and the continuing costs related to these enhancements. Funds
21 appropriated from this account for such enhancements (~~shall~~) may not
22 supplant existing funds from the state general fund.

23 (5) During the 2011-2013 fiscal biennium, the amount that would
24 otherwise be transferred into the county criminal justice assistance
25 account from the general fund under subsection (1) of this section must
26 be reduced by 3.4 percent.

27 **Sec. 971.** RCW 82.14.320 and 1998 c 321 s 12 are each amended to
28 read as follows:

29 (1) The municipal criminal justice assistance account is created in
30 the state treasury. Beginning in fiscal year 2000, the state treasurer
31 (~~shall~~) must transfer into the municipal criminal justice assistance
32 account for distribution under this section from the general fund the
33 sum of four million six hundred thousand dollars divided into four
34 equal deposits occurring on July 1, October 1, January 1, and April 1.
35 For each fiscal year thereafter, the state treasurer (~~shall~~) must
36 increase the total transfer by the fiscal growth factor, as defined in

1 RCW 43.135.025, forecast for that fiscal year by the office of
2 financial management in November of the preceding year.

3 (2) No city may receive a distribution under this section from the
4 municipal criminal justice assistance account unless:

5 (a) The city has a crime rate in excess of one hundred twenty-five
6 percent of the statewide average as calculated in the most recent
7 annual report on crime in Washington state as published by the
8 Washington association of sheriffs and police chiefs;

9 (b) The city has levied the tax authorized in RCW 82.14.030(2) at
10 the maximum rate or the tax authorized in RCW 82.46.010(3) at the
11 maximum rate; and

12 (c) The city has a per capita yield from the tax imposed under RCW
13 82.14.030(1) at the maximum rate of less than one hundred fifty percent
14 of the statewide average per capita yield for all cities from such
15 local sales and use tax.

16 (3) The moneys deposited in the municipal criminal justice
17 assistance account for distribution under this section, less any moneys
18 appropriated for purposes under subsection (7) of this section,
19 (~~shall~~) must be distributed at such times as distributions are made
20 under RCW 82.44.150. The distributions (~~shall~~) must be made as
21 follows:

22 (a) Unless reduced by this subsection, thirty percent of the moneys
23 (~~shall~~) must be distributed ratably based on population as last
24 determined by the office of financial management to those cities
25 eligible under subsection (2) of this section that have a crime rate
26 determined under subsection (2)(a) of this section which is greater
27 than one hundred seventy-five percent of the statewide average crime
28 rate. No city may receive more than fifty percent of any moneys
29 distributed under this subsection (a) but, if a city distribution is
30 reduced as a result of exceeding the fifty percent limitation, the
31 amount not distributed (~~shall~~) must be distributed under (b) of this
32 subsection.

33 (b) The remainder of the moneys, including any moneys not
34 distributed in subsection (2)(a) of this section, (~~shall~~) must be
35 distributed to all cities eligible under subsection (2) of this section
36 ratably based on population as last determined by the office of
37 financial management.

1 (4) No city may receive more than thirty percent of all moneys
2 distributed under subsection (3) of this section.

3 (5) Notwithstanding other provisions of this section, the
4 distributions to any city that substantially decriminalizes or repeals
5 its criminal code after July 1, 1990, and that does not reimburse the
6 county for costs associated with criminal cases under RCW 3.50.800 or
7 3.50.805(2), (~~shall~~) must be made to the county in which the city is
8 located.

9 (6) Moneys distributed under this section (~~shall~~) must be
10 expended exclusively for criminal justice purposes and (~~shall~~) may
11 not be used to replace or supplant existing funding. Criminal justice
12 purposes are defined as activities that substantially assist the
13 criminal justice system, which may include circumstances where
14 ancillary benefit to the civil justice system occurs, and which
15 includes domestic violence services such as those provided by domestic
16 violence programs, community advocates, and legal advocates, as defined
17 in RCW 70.123.020, and publications and public educational efforts
18 designed to provide information and assistance to parents in dealing
19 with runaway or at-risk youth. Existing funding for purposes of this
20 subsection is defined as calendar year 1989 actual operating
21 expenditures for criminal justice purposes. Calendar year 1989 actual
22 operating expenditures for criminal justice purposes exclude the
23 following: Expenditures for extraordinary events not likely to
24 reoccur, changes in contract provisions for criminal justice services,
25 beyond the control of the local jurisdiction receiving the services,
26 and major nonrecurring capital expenditures.

27 (7) Not more than five percent of the funds deposited to the
28 municipal criminal justice assistance account (~~shall~~) may be
29 available for appropriations for enhancements to the state patrol crime
30 laboratory system and the continuing costs related to these
31 enhancements. Funds appropriated from this account for such
32 enhancements (~~shall~~) may not supplant existing funds from the state
33 general fund.

34 (8) During the 2011-2013 fiscal biennium, the amount that would
35 otherwise be transferred into the municipal criminal justice assistance
36 account from the general fund under subsection (1) of this section must
37 be reduced by 3.4 percent.

1 **Sec. 972.** RCW 82.14.330 and 2003 c 90 s 1 are each amended to read
2 as follows:

3 (1)(a) Beginning in fiscal year 2000, the state treasurer (~~shall~~)
4 must transfer into the municipal criminal justice assistance account
5 for distribution under this section from the general fund the sum of
6 four million six hundred thousand dollars divided into four equal
7 deposits occurring on July 1, October 1, January 1, and April 1. For
8 each fiscal year thereafter, the state treasurer (~~shall~~) must
9 increase the total transfer by the fiscal growth factor, as defined in
10 RCW 43.135.025, forecast for that fiscal year by the office of
11 financial management in November of the preceding year. The moneys
12 deposited in the municipal criminal justice assistance account for
13 distribution under this section, less any moneys appropriated for
14 purposes under subsection (4) of this section, (~~shall~~) must be
15 distributed to the cities of the state as follows:

16 (~~(a)~~) (i) Twenty percent appropriated for distribution (~~shall~~)
17 must be distributed to cities with a three-year average violent crime
18 rate for each one thousand in population in excess of one hundred fifty
19 percent of the statewide three-year average violent crime rate for each
20 one thousand in population. The three-year average violent crime rate
21 (~~shall~~) must be calculated using the violent crime rates for each of
22 the preceding three years from the annual reports on crime in
23 Washington state as published by the Washington association of sheriffs
24 and police chiefs. Moneys (~~shall~~) must be distributed under this
25 subsection (1)(a) ratably based on population as last determined by the
26 office of financial management, but no city may receive more than one
27 dollar per capita. Moneys remaining undistributed under this
28 subsection at the end of each calendar year (~~shall~~) must be
29 distributed to the criminal justice training commission to reimburse
30 participating city law enforcement agencies with ten or fewer full-time
31 commissioned patrol officers the cost of temporary replacement of each
32 officer who is enrolled in basic law enforcement training, as provided
33 in RCW 43.101.200.

34 (~~(b)~~) (ii) Sixteen percent (~~shall~~) must be distributed to
35 cities ratably based on population as last determined by the office of
36 financial management, but no city may receive less than one thousand
37 dollars.

1 **(b)** The moneys deposited in the municipal criminal justice
2 assistance account for distribution under this subsection (~~((shall))~~) (1)
3 must be distributed at such times as distributions are made under RCW
4 82.44.150.

5 **(c)** Moneys distributed under this subsection (~~((shall))~~) (1) must be
6 expended exclusively for criminal justice purposes and (~~((shall))~~) may
7 not be used to replace or supplant existing funding. Criminal justice
8 purposes are defined as activities that substantially assist the
9 criminal justice system, which may include circumstances where
10 ancillary benefit to the civil justice system occurs, and which
11 includes domestic violence services such as those provided by domestic
12 violence programs, community advocates, and legal advocates, as defined
13 in RCW 70.123.020. Existing funding for purposes of this subsection is
14 defined as calendar year 1989 actual operating expenditures for
15 criminal justice purposes. Calendar year 1989 actual operating
16 expenditures for criminal justice purposes exclude the following:
17 Expenditures for extraordinary events not likely to reoccur, changes in
18 contract provisions for criminal justice services, beyond the control
19 of the local jurisdiction receiving the services, and major
20 nonrecurring capital expenditures.

21 **(2)(a)** In addition to the distributions under subsection (1) of
22 this section:

23 (~~((a))~~) **(i)** Ten percent (~~((shall))~~) must be distributed on a per
24 capita basis to cities that contract with another governmental agency
25 for the majority of the city's law enforcement services. Cities that
26 subsequently qualify for this distribution (~~((shall))~~) must notify the
27 department of (~~((community, trade, and economic development))~~) commerce
28 by November 30th for the upcoming calendar year. The department of
29 (~~((community, trade, and economic development shall))~~) commerce must
30 provide a list of eligible cities to the state treasurer by December
31 31st. The state treasurer (~~((shall))~~) must modify the distribution of
32 these funds in the following year. Cities have the responsibility to
33 notify the department of (~~((community, trade, and economic development))~~)
34 commerce of any changes regarding these contractual relationships.
35 Adjustments in the distribution formula to add or delete cities may be
36 made only for the upcoming calendar year; no adjustments may be made
37 retroactively.

1 (~~(b)~~) (ii) The remaining fifty-four percent (~~(shall)~~) must be
2 distributed to cities and towns by the state treasurer on a per capita
3 basis. These funds (~~(shall)~~) must be used for: (~~(i)~~) (A) Innovative
4 law enforcement strategies; (~~(ii)~~) (B) programs to help at-risk
5 children or child abuse victim response programs; and (~~(iii)~~) (C)
6 programs designed to reduce the level of domestic violence or to
7 provide counseling for domestic violence victims.

8 (b) The moneys deposited in the municipal criminal justice
9 assistance account for distribution under this subsection (2), less any
10 moneys appropriated for purposes under subsection (4) of this section,
11 (~~(shall)~~) must be distributed at the times as distributions are made
12 under RCW 82.44.150. Moneys remaining undistributed under this
13 subsection at the end of each calendar year (~~(shall)~~) must be
14 distributed to the criminal justice training commission to reimburse
15 participating city law enforcement agencies with ten or fewer full-time
16 commissioned patrol officers the cost of temporary replacement of each
17 officer who is enrolled in basic law enforcement training, as provided
18 in RCW 43.101.200.

19 (c) If a city is found by the state auditor to have expended funds
20 received under this subsection (2) in a manner that does not comply
21 with the criteria under which the moneys were received, the city
22 (~~(shall be)~~) is ineligible to receive future distributions under this
23 subsection (2) until the use of the moneys are justified to the
24 satisfaction of the director or are repaid to the state general fund.

25 (3) Notwithstanding other provisions of this section, the
26 distributions to any city that substantially decriminalizes or repeals
27 its criminal code after July 1, 1990, and that does not reimburse the
28 county for costs associated with criminal cases under RCW 3.50.800 or
29 3.50.805(2), (~~(shall)~~) must be made to the county in which the city is
30 located.

31 (4) Not more than five percent of the funds deposited to the
32 municipal criminal justice assistance account (~~(shall)~~) may be
33 available for appropriations for enhancements to the state patrol crime
34 laboratory system and the continuing costs related to these
35 enhancements. Funds appropriated from this account for such
36 enhancements (~~(shall)~~) may not supplant existing funds from the state
37 general fund.

1 (5) During the 2011-2013 fiscal biennium, the amount that would
2 otherwise be transferred into the municipal criminal justice assistance
3 account from the general fund under subsection (1) of this section must
4 be reduced by 3.4 percent.

5 **Sec. 973.** RCW 82.14.390 and 2008 c 48 s 1 are each amended to read
6 as follows:

7 (1) Except as provided in subsection (7) of this section, the
8 governing body of a public facilities district (a) created before July
9 31, 2002, under chapter 35.57 or 36.100 RCW that commences construction
10 of a new regional center, or improvement or rehabilitation of an
11 existing new regional center, before January 1, 2004; (b) created
12 before July 1, 2006, under chapter 35.57 RCW in a county or counties in
13 which there are no other public facilities districts on June 7, 2006,
14 and in which the total population in the public facilities district is
15 greater than ninety thousand that commences construction of a new
16 regional center before February 1, 2007; (c) created under the
17 authority of RCW 35.57.010(1)(d); or (d) created before September 1,
18 2007, under chapter 35.57 or 36.100 RCW, in a county or counties in
19 which there are no other public facilities districts on July 22, 2007,
20 and in which the total population in the public facilities district is
21 greater than seventy thousand, that commences construction of a new
22 regional center before January 1, 2009, or before January 1, 2011, in
23 the case of a new regional center in a county designated by the
24 president as a disaster area in December 2007, may impose a sales and
25 use tax in accordance with the terms of this chapter. The tax is in
26 addition to other taxes authorized by law and (~~shall~~) must be
27 collected from those persons who are taxable by the state under
28 chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event
29 within the public facilities district. The rate of tax (~~shall~~) may
30 not exceed 0.033 percent of the selling price in the case of a sales
31 tax or value of the article used in the case of a use tax.

32 (2)(a) The governing body of a public facilities district imposing
33 a sales and use tax under the authority of this section may increase
34 the rate of tax up to 0.037 percent if, within three fiscal years of
35 July 1, 2008, the department determines that, as a result of RCW
36 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020,
37 a public facilities district's sales and use tax collections for fiscal

1 years after July 1, 2008, have been reduced by a net loss of at least
2 0.50 percent from the fiscal year before July 1, 2008. The fiscal year
3 in which this section becomes effective is the first fiscal year after
4 July 1, 2008.

5 (b) The department (~~shall~~) must determine sales and use tax
6 collection net losses under this section as provided in RCW 82.14.500
7 (2) and (3). The department (~~shall~~) must provide written notice of
8 its determinations to public facilities districts. Determinations by
9 the department of a public facilities district's sales and use tax
10 collection net losses as a result of RCW 82.14.490 and the chapter 6,
11 Laws of 2007 amendments to RCW 82.14.020 are final and not appealable.

12 (c) A public facilities district may increase its rate of tax after
13 it has received written notice from the department as provided in (b)
14 of this subsection. The increase in the rate of tax must be made in
15 0.001 percent increments and must be the least amount necessary to
16 mitigate the net loss in sales and use tax collections as a result of
17 RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW
18 82.14.020. The increase in the rate of tax is subject to RCW
19 82.14.055.

20 (3) The tax imposed under subsection (1) of this section (~~shall~~)
21 must be deducted from the amount of tax otherwise required to be
22 collected or paid over to the department of revenue under chapter 82.08
23 or 82.12 RCW. The department of revenue (~~shall~~) must perform the
24 collection of such taxes on behalf of the county at no cost to the
25 public facilities district. During the 2011-2013 fiscal biennium,
26 distributions by the state to a public facilities district based on the
27 additional rate authorized in subsection (2) of this section must be
28 reduced by 3.4 percent.

29 (4) No tax may be collected under this section before August 1,
30 2000. The tax imposed in this section (~~shall~~) expires when the bonds
31 issued for the construction of the regional center and related parking
32 facilities are retired, but not more than twenty-five years after the
33 tax is first collected.

34 (5) Moneys collected under this section (~~shall~~) may only be used
35 for the purposes set forth in RCW 35.57.020 and must be matched with an
36 amount from other public or private sources equal to thirty-three
37 percent of the amount collected under this section(~~, provided that~~);
38 however, amounts generated from nonvoter approved taxes authorized

1 under chapter 35.57 RCW or nonvoter approved taxes authorized under
2 chapter 36.100 RCW (~~shall~~) do not constitute a public or private
3 source. For the purpose of this section, public or private sources
4 includes, but is not limited to cash or in-kind contributions used in
5 all phases of the development or improvement of the regional center,
6 land that is donated and used for the siting of the regional center,
7 cash or in-kind contributions from public or private foundations, or
8 amounts attributed to private sector partners as part of a public and
9 private partnership agreement negotiated by the public facilities
10 district.

11 (6) The combined total tax levied under this section (~~shall~~) may
12 not be greater than 0.037 percent. If both a public facilities
13 district created under chapter 35.57 RCW and a public facilities
14 district created under chapter 36.100 RCW impose a tax under this
15 section, the tax imposed by a public facilities district created under
16 chapter 35.57 RCW (~~shall~~) must be credited against the tax imposed by
17 a public facilities district created under chapter 36.100 RCW.

18 (7) A public facilities district created under chapter 36.100 RCW
19 is not eligible to impose the tax under this section if the legislative
20 authority of the county where the public facilities district is located
21 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

22 **Sec. 974.** RCW 82.14.500 and 2007 c 6 s 903 are each amended to
23 read as follows:

24 (1)(a) In order to mitigate local sales tax revenue net losses as
25 a result of the sourcing provisions of the streamlined sales and use
26 tax agreement under this title, the state treasurer (~~shall~~), on July
27 1, 2011, and each July 1st thereafter, must transfer into the
28 streamlined sales and use tax mitigation account from the general fund
29 (~~the sum of thirty one million six hundred thousand dollars on July 1,~~
30 ~~2008. On July 1, 2009, and each July 1st thereafter, the state~~
31 ~~treasurer shall transfer into the streamlined sales and use tax~~
32 ~~mitigation account from the general fund~~) the sum required to mitigate
33 actual net losses as determined under this section.

34 (b) During the 2011-2013 fiscal biennium, the amount that would
35 otherwise be transferred under (a) of this subsection must be reduced
36 by 3.4 percent.

1 (2) Beginning July 1, 2008, and continuing until the department
2 determines annual losses under subsection (3) of this section, the
3 department (~~shall~~) must determine the amount of local sales tax net
4 loss each local taxing jurisdiction experiences as a result of the
5 sourcing provisions of the streamlined sales and use tax agreement
6 under this title each calendar quarter. The department (~~shall~~) must
7 determine losses by analyzing and comparing data from tax return
8 information and tax collections for each local taxing jurisdiction
9 before and after July 1, 2008, on a calendar quarter basis. The
10 department's analysis may be revised and supplemented in consultation
11 with the oversight committee as provided in subsection (4) of this
12 section. To determine net losses, the department (~~shall~~) must reduce
13 losses by the amount of voluntary compliance revenue for the calendar
14 quarter analyzed. Beginning December 31, 2008, distributions (~~shall~~)
15 must be made quarterly from the streamlined sales and use tax
16 mitigation account by the state treasurer, as directed by the
17 department, to each local taxing jurisdiction, other than public
18 facilities districts for losses in respect to taxes imposed under the
19 authority of RCW 82.14.390, in an amount representing its net losses
20 for the previous calendar quarter. Distributions (~~shall~~) must be
21 made on the last working day of each calendar quarter and (~~shall~~)
22 must cease when distributions under subsection (3) of this section
23 begin.

24 (3)(a) By December 31, 2009, or such later date the department in
25 consultation with the oversight committee determines that sufficient
26 data is available, the department (~~shall~~) must determine each local
27 taxing jurisdiction's annual loss. The department (~~shall~~) must
28 determine annual losses by comparing at least twelve months of data
29 from tax return information and tax collections for each local taxing
30 jurisdiction before and after July 1, 2008. The department (~~shall~~)
31 is not (~~be~~) required to determine annual losses on a recurring basis,
32 but may make any adjustments to annual losses as it deems proper as a
33 result of the annual reviews provided in (b) of this subsection.
34 Beginning the calendar quarter in which the department determines
35 annual losses, and each calendar quarter thereafter, distributions
36 (~~shall~~) must be made from the streamlined sales and use tax
37 mitigation account by the state treasurer on the last working day of
38 the calendar quarter, as directed by the department, to each local

1 taxing jurisdiction, other than public facilities districts for losses
2 in respect to taxes imposed under the authority of RCW 82.14.390, in an
3 amount representing one-fourth of the jurisdiction's annual loss
4 reduced by voluntary compliance revenue reported during the previous
5 calendar quarter.

6 (b) The department's analysis of annual losses (~~shall~~) must be
7 reviewed by December 1st of each year and may be revised and
8 supplemented in consultation with the oversight committee as provided
9 in subsection (4) of this section.

10 (4) The department (~~shall~~) must convene an oversight committee to
11 assist in the determination of losses. The committee (~~shall~~)
12 includes one representative of one city whose revenues are increased,
13 one representative of one city whose revenues are reduced, one
14 representative of one county whose revenues are increased, one
15 representative of one county whose revenues are decreased, one
16 representative of one transportation authority under RCW 82.14.045
17 whose revenues are increased, and one representative of one
18 transportation authority under RCW 82.14.045 whose revenues are
19 reduced, as a result of RCW 82.14.490 and the chapter 6, Laws of 2007
20 amendments to RCW 82.14.020. Beginning July 1, 2008, the oversight
21 committee (~~shall~~) must meet quarterly with the department to review
22 and provide additional input and direction on the department's analyses
23 of losses. Local taxing jurisdictions may also present to the
24 oversight committee additional information to improve the department's
25 analyses of the jurisdiction's loss. Beginning January 1, 2010, the
26 oversight committee (~~shall~~) must meet at least annually with the
27 department by December 1st.

28 (5) The rule-making provisions of chapter 34.05 RCW do not apply to
29 this section.

30 **Sec. 975.** RCW 82.45.060 and 2005 c 450 s 1 are each amended to
31 read as follows:

32 There is imposed an excise tax upon each sale of real property at
33 the rate of one and twenty-eight one-hundredths percent of the selling
34 price. An amount equal to six and one-tenth percent of the proceeds of
35 this tax to the state treasurer (~~shall~~) must be deposited in the
36 public works assistance account created in RCW 43.155.050. Except as
37 otherwise provided in this section, an amount equal to one and six-

1 tenths percent of the proceeds of this tax to the state treasurer
2 (~~shall~~) must be deposited in the city-county assistance account
3 created in RCW 43.08.290. During the 2011-2013 fiscal biennium, 1.546
4 percent of the proceeds of this tax to the state treasurer must be
5 deposited in the city-county assistance account.

6 **Sec. 976.** RCW 86.26.007 and 2009 c 564 s 961 are each amended to
7 read as follows:

8 The flood control assistance account is hereby established in the
9 state treasury. At the beginning of the 2005-2007 fiscal biennium, the
10 state treasurer shall transfer three million dollars from the general
11 fund to the flood control assistance account. Each biennium thereafter
12 the state treasurer shall transfer four million dollars from the
13 general fund to the flood control assistance account, except that
14 during the 2009-2011 and 2011-2013 fiscal (~~biennium~~) biennia, the
15 state treasurer shall transfer two million dollars from the general
16 fund to the flood control assistance account. Moneys in the flood
17 control assistance account may be spent only after appropriation for
18 purposes specified under this chapter.

19 **Sec. 977.** RCW 90.71.370 and 2010 1st sp.s. c 36 s 6013 are each
20 amended to read as follows:

21 (1) By December 1, 2008, and by September 1st of each even-numbered
22 year beginning in 2010, the council shall provide to the governor and
23 the appropriate fiscal committees of the senate and house of
24 representatives its recommendations for the funding necessary to
25 implement the action agenda in the succeeding biennium. The
26 recommendations shall:

- 27 (a) Identify the funding needed by action agenda element;
28 (b) Address funding responsibilities among local, state, and
29 federal governments, as well as nongovernmental funding; and
30 (c) Address funding needed to support the work of the partnership,
31 the panel, the ecosystem work group, and entities assisting in
32 coordinating local efforts to implement the plan.

33 (2) In the 2008 report required under subsection (1) of this
34 section, the council shall include recommendations for projected
35 funding needed through 2020 to implement the action agenda; funding
36 needs for science panel staff; identify methods to secure stable and

1 sufficient funding to meet these needs; and include proposals for new
2 sources of funding to be dedicated to Puget Sound protection and
3 recovery. In preparing the science panel staffing proposal, the
4 council shall consult with the panel.

5 (3) By November 1st of each odd-numbered year beginning in 2009,
6 the council shall produce a state of the Sound report that includes, at
7 a minimum:

8 (a) An assessment of progress by state and nonstate entities in
9 implementing the action agenda, including accomplishments in the use of
10 state funds for action agenda implementation;

11 (b) A description of actions by implementing entities that are
12 inconsistent with the action agenda and steps taken to remedy the
13 inconsistency;

14 (c) The comments by the panel on progress in implementing the plan,
15 as well as findings arising from the assessment and monitoring program;

16 (d) A review of citizen concerns provided to the partnership and
17 the disposition of those concerns;

18 (e) A review of the expenditures of funds to state agencies for the
19 implementation of programs affecting the protection and recovery of
20 Puget Sound, and an assessment of whether the use of the funds is
21 consistent with the action agenda; and

22 (f) An identification of all funds provided to the partnership, and
23 recommendations as to how future state expenditures for all entities,
24 including the partnership, could better match the priorities of the
25 action agenda.

26 (4)(a) The council shall review state programs that fund facilities
27 and activities that may contribute to action agenda implementation. By
28 November 1, 2009, the council shall provide initial recommendations
29 regarding program changes to the governor and appropriate fiscal and
30 policy committees of the senate and house of representatives. By
31 November 1, 2010, the council shall provide final recommendations
32 regarding program changes, including proposed legislation to implement
33 the recommendation, to the governor and appropriate fiscal and policy
34 committees of the senate and house of representatives.

35 (b) The review in this subsection shall be conducted with the
36 active assistance and collaboration of the agencies administering these
37 programs, and in consultation with local governments and other entities
38 receiving funding from these programs:

1 (i) Water pollution control facilities financing, chapter 70.146
2 RCW;

3 (ii) The water pollution control revolving fund, chapter 90.50A
4 RCW;

5 (iii) The public works assistance account, chapter 43.155 RCW;

6 (iv) The aquatic lands enhancement account, RCW 79.105.150;

7 (v) The state toxics control account and local toxics control
8 account and clean-up program, chapter 70.105D RCW;

9 (vi) The acquisition of habitat conservation and outdoor recreation
10 land, chapter 79A.15 RCW;

11 (vii) The salmon recovery funding board, RCW 77.85.110 through
12 77.85.150;

13 (viii) The community economic revitalization board, chapter 43.160
14 RCW;

15 (ix) Other state financial assistance to water quality-related
16 projects and activities; and

17 (x) Water quality financial assistance from federal programs
18 administered through state programs or provided directly to local
19 governments in the Puget Sound basin.

20 (c) The council's review shall include but not be limited to:

21 (i) Determining the level of funding and types of projects and
22 activities funded through the programs that contribute to
23 implementation of the action agenda;

24 (ii) Evaluating the procedures and criteria in each program for
25 determining which projects and activities to fund, and their
26 relationship to the goals and priorities of the action agenda;

27 (iii) Assessing methods for ensuring that the goals and priorities
28 of the action agenda are given priority when program funding decisions
29 are made regarding water quality-related projects and activities in the
30 Puget Sound basin and habitat-related projects and activities in the
31 Puget Sound basin;

32 (iv) Modifying funding criteria so that projects, programs, and
33 activities that are inconsistent with the action agenda are ineligible
34 for funding;

35 (v) Assessing ways to incorporate a strategic funding approach for
36 the action agenda within the outcome-focused performance measures
37 required by RCW 43.41.270 in administering natural resource-related and
38 environmentally based grant and loan programs.

1 (5) During the 2009-2011 fiscal biennium, the council's review must
2 result in a ranking of projects affecting the protection and recovery
3 of the Puget Sound basin that are proposed in the governor's capital
4 budget submitted under RCW 43.88.060. The ranking shall include
5 recommendations for reallocation of total requested funds for Puget
6 Sound basin projects to achieve the greatest positive outcomes for
7 protection and recovery of Puget Sound and shall be submitted to the
8 appropriate fiscal committees of the legislature no later than February
9 1, 2011.

10 (6) During the 2011-2013 fiscal biennium, the council shall by
11 November 1, 2012, produce the state of the sound report as defined in
12 subsection (3) of this section.

13 NEW SECTION. Sec. 978. BUDGET SUSTAINABILITY. The full
14 disclosure of the long-term fiscal impacts of budget proposals under
15 consideration by the legislature will improve the informed
16 participation in the budget process of the citizens of the state and
17 their legislators and contribute to the sustainable use of the state's
18 limited fiscal resources. For each proposed omnibus operating
19 appropriations bill reported by a legislative fiscal committee or
20 approved by either house of the legislature during the 2012 and 2013
21 legislative sessions, the relevant fiscal committee shall provide a
22 public report that documents the policy-level proposals in the bill and
23 the cost of each proposal in the current fiscal biennium and the
24 estimated cost in the next ensuing fiscal biennium. This information
25 shall also be provided by the governor for each proposed omnibus
26 operating appropriations bill submitted to the legislature by the
27 governor for the 2012 and 2013 legislative sessions.

(End of part)

PART X

GENERAL GOVERNMENT

Sec. 1001. 2010 2nd sp.s. c 1 s 101 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

General Fund--State Appropriation (FY 2010)	. . . . .	\$33,505,000
General Fund--State Appropriation (FY 2011)	. . . . .	(\$30,934,000)
		<u>\$30,918,000</u>
TOTAL APPROPRIATION	. . . . .	(\$64,439,000)
		<u>\$64,423,000</u>

Sec. 1002. 2010 2nd sp.s. c 1 s 102 (uncodified) is amended to read as follows:

FOR THE SENATE

General Fund--State Appropriation (FY 2010)	. . . . .	\$24,960,000
General Fund--State Appropriation (FY 2011)	. . . . .	(\$24,020,000)
		<u>\$24,008,000</u>
TOTAL APPROPRIATION	. . . . .	(\$48,980,000)
		<u>\$48,968,000</u>

Sec. 1003. 2010 2nd sp.s. c 1 s 106 (uncodified) is amended to read as follows:

FOR THE SUPREME COURT

General Fund--State Appropriation (FY 2010)	. . . . .	\$6,912,000
General Fund--State Appropriation (FY 2011)	. . . . .	(\$6,844,000)
		<u>\$6,924,000</u>
TOTAL APPROPRIATION	. . . . .	(\$13,756,000)
		<u>\$13,836,000</u>

The appropriations in this section are subject to the following conditions and limitations: It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those state government administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

1	General Fund--State Appropriation (FY 2011)	((\$49,260,000))
2		<u>\$49,196,000</u>
3	General Fund--Federal Appropriation	\$979,000
4	Judicial Information Systems Account--State	
5	Appropriation	((\$33,406,000))
6		<u>\$31,407,000</u>
7	Judicial Stabilization Trust Account--State	
8	Appropriation	\$6,598,000
9	TOTAL APPROPRIATION	((\$142,887,000))
10		<u>\$140,824,000</u>

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

13 (1) \$1,800,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$1,387,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for school districts for petitions
16 to juvenile court for truant students as provided in RCW 28A.225.030
17 and 28A.225.035. The office of the administrator for the courts shall
18 develop an interagency agreement with the superintendent of public
19 instruction to allocate the funding provided in this subsection.
20 Allocation of this money to school districts shall be based on the
21 number of petitions filed. This funding includes amounts school
22 districts may expend on the cost of serving petitions filed under RCW
23 28A.225.030 by certified mail or by personal service or for the
24 performance of service of process for any hearing associated with RCW
25 28A.225.030. Absences from school occurring in the months of May and
26 June 2011 do not count towards the number of absences allowed under RCW
27 28A.225.030. Reductions in appropriations in this section reflect
28 reduced workload associated with filing petitions generated through
29 absences occurring in May and June.

30 (2)(a) \$8,252,000 of the general fund--state appropriation for
31 fiscal year 2010 and \$7,534,000 of the general fund--state
32 appropriation for fiscal year 2011 are provided solely for distribution
33 to county juvenile court administrators to fund the costs of processing
34 truancy, children in need of services, and at-risk youth petitions.
35 The administrator for the courts, in conjunction with the juvenile
36 court administrators, shall develop an equitable funding distribution
37 formula. The formula shall neither reward counties with higher than

1 average per-petition processing costs nor shall it penalize counties
2 with lower than average per-petition processing costs.

3 (b) Each fiscal year during the 2009-11 fiscal biennium, each
4 county shall report the number of petitions processed and the total
5 actual costs of processing truancy, children in need of services, and
6 at-risk youth petitions. Counties shall submit the reports to the
7 administrator for the courts no later than 45 days after the end of the
8 fiscal year. The administrator for the courts shall electronically
9 transmit this information to the chairs and ranking minority members of
10 the house of representatives appropriations committee and the senate
11 ways and means committee no later than 60 days after a fiscal year
12 ends. These reports are deemed informational in nature and are not for
13 the purpose of distributing funds.

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

19 (4) \$5,700,000 of the judicial information systems account--state
20 appropriation is provided solely for modernization and integration of
21 the judicial information system.

22 (a) Of this amount, \$1,700,000 is for the development of a
23 comprehensive enterprise-level information technology strategy and
24 detailed business and operational plans in support of that strategy,
25 and \$4,000,000 is to continue to modernize and integrate current
26 systems and enhance case management functionality on an incremental
27 basis.

28 (b) The amount provided in this subsection may not be expended
29 without prior approval by the judicial information system committee.
30 The administrator shall regularly submit project plan updates for
31 approval to the judicial information system committee.

32 (c) The judicial information system committee shall review project
33 progress on a regular basis and may require quality assurance plans.
34 The judicial information systems committee shall provide a report to
35 the appropriate committees of the legislature no later than November 1,
36 2011, on the status of the judicial information system modernization
37 and integration, and the consistency of the project with the state's

1 architecture, infrastructure and statewide enterprise view of service
2 delivery.

3 (d) \$100,000 of the judicial information systems account--state
4 appropriation is provided solely for the administrative office of the
5 courts, in coordination with the judicial information system committee,
6 to conduct an independent third-party executive-level review of the
7 judicial information system. This review shall examine, at a minimum,
8 the scope of the current project plan, governance structure, and
9 organizational change management procedures. The review will also
10 benchmark the system plans against similarly sized projects in other
11 states or localities, review the large scale program risks, and
12 estimate life cycle costs, including capital and on-going operational
13 expenditures.

14 (5) \$3,000,000 of the judicial information systems account--state
15 appropriation is provided solely for replacing computer equipment at
16 state courts, and at state judicial agencies. The administrator for
17 the courts shall prioritize equipment replacement purchasing and shall
18 fund those items that are most essential or critical. By October 1,
19 2010, the administrative office of the courts shall report to the
20 appropriate legislative fiscal committees on expenditures for equipment
21 under this subsection.

22 (6) \$12,000 of the judicial information systems account--state
23 appropriation is provided solely to implement Engrossed Substitute
24 House Bill No. 1954 (sealing juvenile records). If the bill is not
25 enacted by June 30, 2009, the amount provided in this subsection shall
26 lapse.

27 ~~(7) ((\$106,000 of the general fund state appropriation for fiscal~~
28 ~~year 2010 and \$106,000 of the general fund state appropriation for~~
29 ~~fiscal year 2011 are provided solely for the twenty third superior~~
30 ~~court judge position in Pierce county. The funds appropriated in this~~
31 ~~subsection shall be expended only if the judge is appointed and serving~~
32 ~~on the bench.~~

33 (+8)) It is the intent of the legislature that the reductions in
34 appropriations in this section shall be achieved, to the greatest
35 extent possible, by reducing those state government administrative
36 costs that do not affect direct client services or direct service
37 delivery or programs. The agency shall, to the greatest extent

1 possible, reduce spending in those areas that shall have the least
2 impact on implementing its mission.

3 ((+9)) (8) \$44,000 of the judicial information systems account--
4 state appropriation is provided solely to implement chapter 272, Laws
5 of 2010 (SHB 2680; guardianship).

6 ((+10)) (9) \$274,000 of the general fund--state appropriation for
7 fiscal year 2011 is provided solely for the office of public
8 guardianship to provide guardianship services for low-income
9 incapacitated persons.

10 ((+11)) (10) \$3,797,000 of the judicial information systems
11 account--state appropriation is provided solely for continued planning
12 and implementation of improvements to the court case management system.

13 ((+12)) (11) In accordance with RCW 43.135.055, the administrative
14 office of the courts is authorized to adopt and increase the fees set
15 forth in and previously authorized in section 6, chapter 491, Laws of
16 2009.

17 **Sec. 1007.** 2011 c 5 s 107 (uncodified) is amended to read as
18 follows:

19 **FOR THE SECRETARY OF STATE**

20	General Fund--State Appropriation (FY 2010)	\$21,105,000
21	General Fund--State Appropriation (FY 2011)	(\$13,612,000)
22		<u>\$14,727,000</u>
23	General Fund--Federal Appropriation	\$8,082,000
24	Archives and Records Management Account--State	
25	Appropriation	\$8,990,000
26	Charitable Organization Education Account--State	
27	Appropriation	\$76,000
28	Department of Personnel Service Account--State	
29	Appropriation	\$757,000
30	Election Account--State Appropriation	\$77,000
31	Local Government Archives Account--State	
32	Appropriation	\$11,515,000
33	Election Account--Federal Appropriation	\$31,163,000
34	TOTAL APPROPRIATION	(\$95,377,000)
35		<u>\$96,492,000</u>

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

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

7 (2)(a) \$1,897,000 of the general fund--state appropriation for
8 fiscal year 2010 and \$1,845,000 of the general fund--state
9 appropriation for fiscal year 2011 are provided solely for contracting
10 with a nonprofit organization to produce gavel-to-gavel television
11 coverage of state government deliberations and other events of
12 statewide significance during the 2009-2011 biennium. The funding
13 level for each year of the contract shall be based on the amount
14 provided in this subsection. The nonprofit organization shall be
15 required to raise contributions or commitments to make contributions,
16 in cash or in kind, in an amount equal to forty percent of the state
17 contribution. The office of the secretary of state may make full or
18 partial payment once all criteria in this subsection have been
19 satisfactorily documented.

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

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

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

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

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

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

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

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

(5) \$76,000 of the charitable organization education account--state appropriation for fiscal year 2011 is provided solely to implement Second Substitute House Bill No. 2576 (corporation and charity fees). If the bill is not enacted by June 30, 2010, the amount provided in this subsection shall lapse.

(6) \$77,000 of the general fund--state appropriation for fiscal year 2011 is provided solely for deposit to the election account.

Sec. 1008. 2011 c 5 s 108 (uncodified) is amended to read as follows:

FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund--State Appropriation (FY 2010)	. . . . .	\$2,249,000
General Fund--State Appropriation (FY 2011)	. . . . .	(\$1,969,000)
		<u>\$1,967,000</u>
TOTAL APPROPRIATION	. . . . .	(\$4,218,000)
		<u>\$4,216,000</u>

Sec. 1009. 2011 c 5 s 113 (uncodified) is amended to read as follows:

FOR THE ATTORNEY GENERAL

General Fund--State Appropriation (FY 2010)	. . . . .	\$5,732,000
General Fund--State Appropriation (FY 2011)	. . . . .	(\$5,272,000)
		<u>\$5,268,000</u>
General Fund--Federal Appropriation	. . . . .	\$4,026,000
New Motor Vehicle Arbitration Account--State		
Appropriation	. . . . .	\$1,350,000
Legal Services Revolving Account--State		
Appropriation	. . . . .	(\$224,523,000)
		<u>\$225,910,000</u>
Tobacco Prevention and Control Account--State		

1	Appropriation	\$270,000
2	TOTAL APPROPRIATION	((\$241,173,000))
3		<u>\$242,556,000</u>

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

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

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

21 (3) The office of the attorney general is authorized to expend
22 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer
23 protection costs in accordance with uses authorized in the court
24 orders.

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

32 (5) The executive ethics board must produce a report by the end of
33 the calendar year for the legislature regarding performance measures on
34 the efficiency and effectiveness of the board, as well as on
35 performance measures to measure and monitor the ethics and integrity of
36 all state agencies.

37 (6) \$53,000 of the legal services revolving account--state

1 appropriation is provided solely to implement Engrossed Second
2 Substitute House Bill No. 3026 (school district compliance with state
3 and federal civil rights laws).

4 **Sec. 1010.** 2011 c 5 s 114 (uncodified) is amended to read as
5 follows:

6 **FOR THE CASELOAD FORECAST COUNCIL**

7	General Fund--State Appropriation (FY 2010)	\$766,000
8	General Fund--State Appropriation (FY 2011)	(((\$660,000))
9		<u>\$658,000</u>
10	TOTAL APPROPRIATION	(((\$1,426,000))
11		<u>\$1,424,000</u>

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

20 **Sec. 1011.** 2011 c 5 s 115 (uncodified) is amended to read as
21 follows:

22 **FOR THE DEPARTMENT OF COMMERCE**

23	General Fund--State Appropriation (FY 2010)	\$49,670,000
24	General Fund--State Appropriation (FY 2011)	(((\$36,739,000))
25		<u>\$36,710,000</u>
26	General Fund--Federal Appropriation	\$385,601,000
27	General Fund--Private/Local Appropriation	\$10,972,000
28	Public Works Assistance Account--State	
29	Appropriation	\$2,974,000
30	Tourism Development and Promotion Account--State	
31	Appropriation	\$798,000
32	Drinking Water Assistance Administrative	
33	Account--State Appropriation	\$433,000
34	Lead Paint Account--State Appropriation	\$35,000
35	Building Code Council Account--State Appropriation	\$688,000
36	Home Security Fund Account--State Appropriation	\$24,486,000

1	Affordable Housing for All Account--State	
2	Appropriation	\$11,896,000
3	Washington Auto Theft Prevention Authority	
4	Account--State Appropriation . . . . .	.\$300,000
5	Independent Youth Housing Account--State Appropriation . . . . .	.\$220,000
6	County Research Services Account--State Appropriation . . . . .	.\$469,000
7	Community Preservation and Development Authority	
8	Account--State Appropriation . . . . .	.\$350,000
9	Financial Fraud and Identity Theft Crimes Investigation	
10	and Prosecution Account--State Appropriation . . . . .	.\$1,166,000
11	Low-Income Weatherization Assistance Account--State	
12	Appropriation . . . . .	.\$6,882,000
13	City and Town Research Services Account--State	
14	Appropriation . . . . .	.\$2,246,000
15	Manufacturing Innovation and Modernization	
16	Account--State Appropriation . . . . .	.\$230,000
17	Community and Economic Development Fee Account--State	
18	Appropriation . . . . .	.\$6,922,000
19	Washington Housing Trust Account--State	
20	Appropriation . . . . .	.\$15,348,000
21	Prostitution Prevention and Intervention Account--	
22	State Appropriation . . . . .	.\$125,000
23	Public Facility Construction Loan Revolving	
24	Account--State Appropriation . . . . .	.\$754,000
25	TOTAL APPROPRIATION	((\$559,304,000))
26		<u>\$559,275,000</u>

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

29 (1) \$2,378,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$2,117,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for a contract with the Washington
32 technology center for work essential to the mission of the Washington
33 technology center and conducted in partnership with universities.

34 (2) Repayments of outstanding loans granted under RCW 43.63A.600,
35 the mortgage and rental assistance program, shall be remitted to the
36 department, including any current revolving account balances. The
37 department shall collect payments on outstanding loans, and deposit

1 them into the state general fund. Repayments of funds owed under the
2 program shall be remitted to the department according to the terms
3 included in the original loan agreements.

4 (3) \$100,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$89,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely to implement section 2(7) of
7 Engrossed Substitute House Bill No. 1959 (land use and transportation
8 planning for marine container ports).

9 (4) \$102,000 of the building code council account--state
10 appropriation is provided solely for the implementation of sections 3
11 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built
12 environment pollution). If sections 3 and 7 of the bill are not
13 enacted by June 30, 2009, the amounts provided in this subsection shall
14 lapse.

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

28 (b) \$6,787,000 of the general fund--federal appropriation is
29 provided solely for the state energy program, including not less than
30 \$5,000,000 to provide credit enhancements consistent with the
31 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy
32 efficiency in buildings).

33 (c) Of the general fund--federal appropriation the department shall
34 provide: \$14,500,000 to the Washington State University for the
35 purpose of making grants for pilot projects providing community-wide
36 urban, residential, and commercial energy efficiency upgrades
37 consistent with the provisions of Engrossed Second Substitute Senate
38 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington

1 State University to conduct farm energy assessments. In contracting
2 with the Washington State University for the provision of these
3 services, the total administration of Washington State University and
4 the department shall not exceed 3 percent of the amounts provided.

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

9 ~~(e))~~ \$10,646,000 of the general fund--federal appropriation is
10 provided pursuant to the energy efficiency and conservation block grant
11 under the American reinvestment and recovery act. The department may
12 use up to \$3,000,000 of the amount provided in this subsection to
13 provide technical assistance for energy programs administered by the
14 agency under the American reinvestment and recovery act.

15 (6) \$14,000 of the general fund--state appropriation for fiscal
16 year 2010 is provided solely for the implementation of Engrossed Second
17 Substitute Senate Bill No. 5560 (state agency climate leadership). If
18 the bill is not enacted by June 30, 2009, the amount provided in this
19 subsection shall lapse.

20 (7) \$22,400,000 of the general fund--federal appropriation is
21 provided solely for the justice assistance grant program and is
22 contingent upon the department transferring: \$1,200,000 to the
23 department of corrections for security threat mitigation, \$2,336,000 to
24 the department of corrections for offender reentry, \$1,960,000 to the
25 Washington state patrol for law enforcement activities, \$2,087,000 to
26 the department of social and health services, division of alcohol and
27 substance abuse for drug courts, and \$428,000 to the department of
28 social and health services for sex abuse recognition training. The
29 remaining funds shall be distributed by the department to local
30 jurisdictions.

31 (8) \$20,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$18,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for a grant to KCTS public
34 television to support Spanish language programming and the V-me Spanish
35 language channel.

36 (9) \$500,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$447,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided solely for a grant to resolution

1 Washington to building statewide capacity for alternative dispute
2 resolution centers and dispute resolution programs that guarantee that
3 citizens have access to low-cost resolution as an alternative to
4 litigation.

5 (10) \$30,000 of the general fund--state appropriation for fiscal
6 year 2010 is provided solely for implementation of Engrossed Second
7 Substitute Senate Bill No. 6015 (commercialization of technology). If
8 the bill is not enacted by June 30, 2009, the amount provided in this
9 subsection shall lapse.

10 (11) By June 30, 2011, the department shall request information
11 that describes what jurisdictions have adopted, or are in the process
12 of adopting, plans that address RCW 36.70A.020 and helps achieve the
13 greenhouse gas emission reductions established in RCW 70.235.020. This
14 information request in this subsection applies to jurisdictions that
15 are required to review and if necessary revise their comprehensive
16 plans in accordance with RCW 36.70A.130.

17 (12) During the 2009-11 fiscal biennium, the department shall allot
18 all of its appropriations subject to allotment by object, account, and
19 expenditure authority code to conform with the office of financial
20 management's definition of an option 2 allotment. For those funds
21 subject to allotment but not appropriation, the agency shall submit
22 option 2 allotments to the office of financial management.

23 (13) \$50,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$35,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for a grant for the state's
26 participation in the Pacific Northwest economic region.

27 (14) \$712,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$559,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely to the office of crime victims
30 advocacy. These funds shall be contracted with the 39 county
31 prosecuting attorneys' offices to support victim-witness services. The
32 funds must be prioritized to ensure a full-time victim-witness
33 coordinator in each county. The office may retain only the amount
34 currently allocated for this activity for administrative costs.

35 (15) \$306,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$274,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for a grant to the retired senior
38 volunteer program.

1 (16) \$65,000 of the general fund--state appropriation for fiscal
2 year 2010 is provided solely for a contract with a food distribution
3 program for communities in the southwestern portion of the state and
4 for workers impacted by timber and salmon fishing closures and
5 reductions. The department may not charge administrative overhead or
6 expenses to the funds provided in this subsection.

7 (17) \$371,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$290,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely to the northwest agriculture
10 business center.

11 (18) The department shall administer its growth management act
12 technical assistance so that smaller cities receive proportionately
13 more assistance than larger cities or counties.

14 (19) \$212,000 of the general fund--federal appropriation is
15 provided solely for implementation of Second Substitute House Bill No.
16 1172 (development rights transfer). If the bill is not enacted by June
17 30, 2009, the amount provided in this subsection shall lapse.

18 (20) \$69,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$60,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for implementation of Engrossed
21 Second Substitute House Bill No. 2227 (evergreen jobs act). If the
22 bill is not enacted by June 30, 2009, the amounts provided in this
23 subsection shall lapse.

24 (21) \$350,000 of the community development and preservation
25 authority account--state appropriation is provided solely for a grant
26 to a community development authority established under chapter 43.167
27 RCW. The community preservation and development's board of directors
28 may contract with nonprofit community organizations to aid in
29 mitigating the effects of increased public impact on urban
30 neighborhoods due to events in stadia that have a capacity of over
31 50,000 spectators.

32 (22) \$300,000 of the Washington auto theft prevention authority
33 account--state appropriation is provided solely for a contract with a
34 community group to build local community capacity and economic
35 development within the state by strengthening political relationships
36 between economically distressed communities and governmental
37 institutions. The community group shall identify opportunities for
38 collaboration and initiate activities and events that bring community

1 organizations, local governments, and state agencies together to
2 address the impacts of poverty, political disenfranchisement, and
3 economic inequality on communities of color. These funds must be
4 matched by other nonstate sources on an equal basis.

5 (23) \$1,800,000 of the home security fund--state appropriation is
6 provided for transitional housing assistance or partial payments for
7 rental assistance under the independent youth housing program.

8 (24) \$5,000,000 of the home security fund--state appropriation is
9 provided solely for the operation, repair, and staffing of shelters in
10 the homeless family shelter program.

11 (25) \$253,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$253,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for the Washington new Americans
14 program.

15 (26) \$438,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$394,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the Washington asset building
18 coalitions.

19 (27) \$3,231,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$2,953,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for associate development
22 organizations.

23 (28) \$5,400,000 of the community and economic development fee
24 account is provided as follows: \$1,000,000 is provided solely for the
25 department of commerce for services for homeless families through the
26 Washington families fund; \$2,600,000 is provided solely for housing
27 trust fund operations and maintenance; \$800,000 is provided solely for
28 housing trust fund portfolio management; \$500,000 is provided solely
29 for foreclosure counseling and support; and \$500,000 is provided solely
30 for use as a reserve in the account.

31 (29) \$237,000 of the general fund--state appropriation for fiscal
32 year 2011 is provided solely for the department to administer a
33 competitive grant program to fund economic development activities
34 designed to further regional cluster growth and to integrate its
35 sector-based and cluster-based strategies with its support for the
36 development of innovation partnership zones. Grant recipients must
37 provide matching funds equal to the size of the grant. Grants may be
38 awarded to support the formation of sector associations or cluster

1 associations, the identification of the technology and
2 commercialization needs of a sector or cluster, facilitating working
3 relationships between a sector association or cluster association and
4 an innovation partnership zone, expanding the operations of an
5 innovation partnership zone, and developing and implementing plans to
6 meet the technology development and commercialization needs of industry
7 sectors, industry clusters, and innovation partnership zones. The
8 projects receiving grants must not duplicate the purpose or efforts of
9 industry skill panels but priority must be given to applicants that
10 complement industry skill panels and will use the grant funds to build
11 linkages and joint projects.

12 (30) \$62,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided solely to:

14 (a) Develop a rural manufacturer export outreach program in
15 conjunction with impact Washington. The program must provide outreach
16 services to rural manufacturers in Washington to inform them of the
17 importance of and opportunities in international trade, and to inform
18 them of the export assistance programs available to assist these
19 businesses to become exporters; and

20 (b) Develop export loan or loan guarantee programs in conjunction
21 with the Washington economic development finance authority and the
22 appropriate federal and private entities.

23 (31) \$750,000 of the general fund--state appropriation for fiscal
24 year 2011 is provided solely to implement the provisions of chapter 13,
25 Laws of 2010 (global health program).

26 (32) \$50,000 of the general fund--state appropriation for fiscal
27 year 2011 is provided solely for the creation of the Washington
28 entrepreneurial development and small business reference service in the
29 department of commerce.

30 (a) The department must:

31 (i) In conjunction with and drawing on information compiled by the
32 work force training and education coordinating board and the Washington
33 economic development commission:

34 (A) Establish and maintain an inventory of the public and private
35 entrepreneurial training and technical assistance services, programs,
36 and resources available in the state;

37 (B) Disseminate information about available entrepreneurial
38 development and small business assistance services, programs, and

1 resources via in-person presentations and electronic and printed
2 materials and undertake other activities to raise awareness of
3 entrepreneurial training and small business assistance offerings; and

4 (C) Evaluate the extent to which existing entrepreneurial training
5 and technical assistance programs in the state are effective and
6 represent a consistent, integrated approach to meeting the needs of
7 start-up and existing entrepreneurs;

8 (ii) Assist providers of entrepreneurial development and small
9 business assistance services in applying for federal and private
10 funding to support the entrepreneurial development and small business
11 assistance activities in the state;

12 (iii) Distribute awards for excellence in entrepreneurial training
13 and small business assistance; and

14 (iv) Report to the governor, the economic development commission,
15 the work force training and education coordinating board, and the
16 appropriate legislative committees its recommendations for statutory
17 changes necessary to enhance operational efficiencies or enhance
18 coordination related to entrepreneurial development and small business
19 assistance.

20 (b) In carrying out the duties under this section, the department
21 must seek the advice of small business owners and advocates, the
22 Washington economic development commission, the work force training and
23 education coordinating board, the state board for community and
24 technical colleges, the employment security department, the Washington
25 state microenterprise association, associate development organizations,
26 impact Washington, the Washington quality award council, the Washington
27 technology center, the small business export finance assistance center,
28 the Spokane intercollegiate research and technology institute,
29 representatives of the University of Washington business school and the
30 Washington State University college of business and economics, the
31 office of minority and women's business enterprises, the Washington
32 economic development finance authority, and staff from small business
33 development centers.

34 (c) The director may appoint an advisory board or convene such
35 other individuals or groups as he or she deems appropriate to assist in
36 carrying out the department's duties under this section.

37 (33) \$45,000 of the general fund--state appropriation for fiscal
38 year 2011 is provided solely for a grant to HistoryLink.

1 **Sec. 1012.** 2010 2nd sp.s. c 1 s 116 (uncodified) is amended to
2 read as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

4	General Fund--State Appropriation (FY 2010)	\$21,089,000
5	General Fund--State Appropriation (FY 2011)	(\$18,285,000)
6		<u>\$17,996,000</u>
7	General Fund--Federal Appropriation	\$27,103,000
8	General Fund--Private/Local Appropriation	\$1,270,000
9	State Auditing Services Revolving	
10	Account--State Appropriation	\$25,000
11	Economic Development Strategic Reserve Account--	
12	State Appropriation	\$278,000
13	TOTAL APPROPRIATION	(\$68,050,000)
14		<u>\$67,761,000</u>

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

17 (1) \$188,000 of the general fund--state appropriation for fiscal
18 year 2010 is provided solely for the implementation of Second
19 Substitute Senate Bill No. 5945 (Washington health partnership plan).

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

22 (2) The office of financial management shall conduct a study on
23 alternatives for consolidating or transferring activities and
24 responsibilities of the state lottery commission, state horse racing
25 commission, state liquor control board, and the state gambling
26 commission to achieve cost savings and regulatory efficiencies. In
27 conducting the study, the office of financial management shall consult
28 with the legislative fiscal committees. Further, the office of
29 financial management shall establish an advisory group to include, but
30 not be limited to, representatives of affected businesses, state
31 agencies or entities, local governments, and stakeholder groups. The
32 office of financial management shall submit a final report to the
33 governor and the legislative fiscal committees by November 15, 2009.

34 (3) \$110,000 of the general fund--state appropriation for fiscal
35 year 2011 is provided solely to implement Second Substitute Senate Bill
36 No. 6578 (multiagency permitting teams). If the bill is not enacted by
37 June 30, 2010, the amount provided in this subsection shall lapse.

1 (4) The office of financial management shall, with the assistance
2 of the natural resources cabinet as created in executive order 09-07,
3 reduce the number of facilities being leased by the state by
4 consolidating, wherever possible, regional offices and storage
5 facilities of the natural resource agencies. The office of financial
6 management and the natural resources cabinet shall submit a report on
7 the progress of this effort and the associated savings to the
8 appropriate fiscal committees of the legislature no later than December
9 1, 2010.

10 (5)(a) \$50,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$150,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the purposes of the office of
13 financial management:

14 (i) Conducting a technical and financial analysis of the state's
15 plan for the consolidated state data center and office building; and

16 (ii) Developing a strategic business plan outlining the various
17 options for use of the site that maximize taxpayer value consistent
18 with the terms of the finance lease and related agreements.

19 (b) The analysis required in (a)(i) of this subsection must consist
20 of, at a minimum, an assessment of the following issues:

21 (i) The total capital and operational costs for the proposed data
22 center and office building;

23 (ii) The occupancy rate for the consolidated state data center, as
24 compared to total capacity, that will result in revenue exceeding total
25 capital and operating expenses;

26 (iii) The potential reallocation of resources that could result
27 from the consolidation of state data centers and office space; and

28 (iv) The potential return on investment for the consolidated state
29 data center and office building that may be realized without impairing
30 any existing contractual rights under the terms of the financing lease
31 and related agreements.

32 (c) This review must build upon the analysis and migration strategy
33 for the consolidated state data center being prepared for the
34 department of information services.

35 (d) The strategic plan must be submitted to the governor and the
36 legislature by December 1, 2010.

37 (6) Appropriations in this section include amounts sufficient to

1 implement Engrossed Substitute House Bill No. 3178 (technology
2 efficiencies).

3 **Sec. 1013.** 2011 c 5 s 117 (uncodified) is amended to read as
4 follows:

5 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

6 Administrative Hearings Revolving Account--State
7 Appropriation ((~~\$34,468,000~~)
8 \$34,805,000

9 The appropriation in this section is subject to the following
10 conditions and limitations: \$725,000 of the administrative hearings
11 revolving account--state appropriation is provided solely to implement
12 Engrossed Second Substitute House Bill No. 2782 (security lifeline
13 act). If the bill is not enacted by June 30, 2010, the amount provided
14 in this subsection shall lapse.

15 **Sec. 1014.** 2011 c 5 s 118 (uncodified) is amended to read as
16 follows:

17 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

18 General Fund--State Appropriation (FY 2010) \$250,000
19 General Fund--State Appropriation (FY 2011) ((~~\$227,000~~)
20 \$226,000
21 TOTAL APPROPRIATION ((~~\$477,000~~)
22 \$476,000

23 **Sec. 1015.** 2011 c 5 s 119 (uncodified) is amended to read as
24 follows:

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

26 General Fund--State Appropriation (FY 2010) \$243,000
27 General Fund--State Appropriation (FY 2011) ((~~\$210,000~~)
28 \$221,000
29 TOTAL APPROPRIATION ((~~\$453,000~~)
30 \$464,000

31 **Sec. 1016.** 2011 c 5 s 120 (uncodified) is amended to read as
32 follows:

33 **FOR THE DEPARTMENT OF REVENUE**

34 General Fund--State Appropriation (FY 2010) \$109,472,000

1	General Fund--State Appropriation (FY 2011)	((\$107,662,000))
2		<u>\$107,169,000</u>
3	Timber Tax Distribution Account--State Appropriation	\$5,933,000
4	Waste Reduction/Recycling/Litter Control--State	
5	Appropriation	\$130,000
6	Waste Tire Removal Account--State Appropriation	\$2,000
7	Real Estate Excise Tax Grant Account--State	
8	Appropriation	\$3,429,000
9	State Toxics Control Account--State Appropriation	\$87,000
10	Oil Spill Prevention Account--State Appropriation	\$19,000
11	TOTAL APPROPRIATION	((\$226,734,000))
12		<u>\$226,241,000</u>

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

15 (1) \$469,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$374,000 of the general fund--state appropriation for
17 fiscal year 2011 are for the implementation of Substitute Senate Bill
18 No. 5368 (annual property revaluation). If the bill is not enacted by
19 June 30, 2009, the amounts in this subsection shall lapse.

20 (2) \$4,653,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$4,242,000 of the general fund--state appropriation for
22 fiscal year 2011 are for the implementation of revenue enhancement
23 strategies. The strategies must include increased out-of-state
24 auditing and compliance, the purchase of third party data sources for
25 enhanced audit selection, and increased traditional auditing and
26 compliance efforts.

27 (3) \$3,127,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$1,737,000 of the general fund--state appropriation for
29 fiscal year 2011 are for the implementation of Senate Bill No. 6173
30 (sales tax compliance). If the bill is not enacted by June 30, 2009,
31 the amounts provided in this subsection shall lapse.

32 (4) \$1,294,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$3,085,000 of the general fund--state appropriation for
34 fiscal year 2011 are for the implementation of Second Engrossed
35 Substitute Senate Bill No. 6143 (excise tax law modifications). If the
36 bill is not enacted by June 30, 2010, the amounts provided in this
37 subsection shall lapse.

1 (5) \$163,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely to implement Substitute Senate Bill No.
3 6846 (enhanced 911 services). If the bill is not enacted by June 30,
4 2010, the amount provided in this subsection shall lapse.

5 (6) \$304,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for making the necessary preparations for
7 implementation of the working families tax exemption pursuant to RCW
8 82.08.0206 in 2012.

9 **Sec. 1017.** 2011 c 5 s 121 (uncodified) is amended to read as
10 follows:

11 **FOR THE BOARD OF TAX APPEALS**

12	General Fund--State Appropriation (FY 2010)	\$1,346,000
13	General Fund--State Appropriation (FY 2011)	(\$1,195,000)
14		<u>\$1,194,000</u>
15	TOTAL APPROPRIATION	(\$2,541,000)
16		<u>\$2,540,000</u>

17 **Sec. 1018.** 2011 c 5 s 122 (uncodified) is amended to read as
18 follows:

19 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

20	General Fund--State Appropriation (FY 2010)	\$815,000
21	General Fund--State Appropriation (FY 2011)	(\$3,527,000)
22		<u>\$3,524,000</u>
23	General Fund--Federal Appropriation	\$2,956,000
24	Building Code Council Account--State Appropriation	\$875,000
25	General Fund--Private/Local Appropriation	\$84,000
26	General Administration Service Account--State	
27	Appropriation	\$31,397,000
28	TOTAL APPROPRIATION	(\$39,654,000)
29		<u>\$39,651,000</u>

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

32 (1) \$28,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$14,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the purposes of section 8 of
35 Engrossed Second Substitute Senate Bill No. 5854 (built environment

1 pollution). If section 8 of the bill is not enacted by June 30, 2009,
2 the amounts provided in this subsection shall lapse.

3 (2) \$3,197,000 of the general fund--state appropriation for fiscal
4 year 2011 is provided solely for the payment of facilities and services
5 charges, utilities and contracts charges, public and historic
6 facilities charges, and capital projects surcharges allocable to the
7 senate, house of representatives, statute law committee, and joint
8 legislative systems committee. The department shall allocate charges
9 attributable to these agencies among the affected revolving funds. The
10 department shall enter into an interagency agreement with these
11 agencies by July 1, 2010, to establish performance standards,
12 prioritization of preservation and capital improvement projects, and
13 quality assurance provisions for the delivery of services under this
14 subsection. The agencies named in this subsection shall continue to
15 enjoy all of the same rights of occupancy, support, and space use on
16 the capitol campus as historically established.

17 (3) \$84,000 of the general fund--private/local appropriation and
18 \$593,000 of the building code council account--state appropriation are
19 provided solely to implement Engrossed Second Substitute House Bill No.
20 2658 (refocusing the department of commerce, including transferring
21 programs). If the bill is not enacted by June 30, 2010, the amounts
22 provided in this subsection shall lapse.

23 (4) In accordance with RCW 46.08.172 and 43.135.055, the department
24 is authorized to increase parking fees in fiscal year 2011 as necessary
25 to meet the actual costs of conducting business.

26 **Sec. 1019.** 2011 c 5 s 125 (uncodified) is amended to read as
27 follows:

28 **FOR THE MILITARY DEPARTMENT**

29	General Fund--State Appropriation (FY 2010)	\$9,350,000
30	General Fund--State Appropriation (FY 2011)	(\$7,898,000)
31		<u>\$7,890,000</u>
32	General Fund--Federal Appropriation	\$168,599,000
33	Enhanced 911 Account--State Appropriation	\$44,508,000
34	Disaster Response Account--State Appropriation	\$28,350,000
35	Disaster Response Account--Federal Appropriation	\$114,496,000
36	Military Department Rent and Lease Account--State	
37	Appropriation	\$612,000

1	Military Department Active State Service Account--Federal	
2	Appropriation	\$592,000
3	Worker and Community Right-to-Know Account--State	
4	Appropriation	\$341,000
5	Nisqually Earthquake Account--State Appropriation	\$307,000
6	Nisqually Earthquake Account--Federal Appropriation	\$1,067,000
7	TOTAL APPROPRIATION	((\$376,120,000))
8		<u>\$376,112,000</u>

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

11 (1) \$28,326,000 of the disaster response account--state
12 appropriation and \$114,496,000 of the disaster response
13 account--federal appropriation may be spent only on disasters declared
14 by the governor and with the approval of the office of financial
15 management. The military department shall submit a report to the
16 office of financial management and the legislative fiscal committees on
17 October 1st and February 1st of each year detailing information on the
18 disaster response account, including: (a) The amount and type of
19 deposits into the account; (b) the current available fund balance as of
20 the reporting date; and (c) the projected fund balance at the end of
21 the 2009-2011 biennium based on current revenue and expenditure
22 patterns.

23 (2) \$307,000 of the Nisqually earthquake account--state
24 appropriation and \$1,067,000 of the Nisqually earthquake
25 account--federal appropriation are provided solely for response and
26 recovery costs associated with the February 28, 2001, earthquake. The
27 military department shall submit a report to the office of financial
28 management and the legislative fiscal committees on October 1st and
29 February 1st of each year detailing earthquake recovery costs,
30 including: (a) Estimates of total costs; (b) incremental changes from
31 the previous estimate; (c) actual expenditures; (d) estimates of total
32 remaining costs to be paid; and (e) estimates of future payments by
33 biennium. This information shall be displayed by fund, by type of
34 assistance, and by amount paid on behalf of state agencies or local
35 organizations. The military department shall also submit a report
36 quarterly to the office of financial management and the legislative
37 fiscal committees detailing information on the Nisqually earthquake
38 account, including: (a) The amount and type of deposits into the

1 account; (b) the current available fund balance as of the reporting
2 date; and (c) the projected fund balance at the end of the 2009-2011
3 biennium based on current revenue and expenditure patterns.

4 (3) \$85,000,000 of the general fund--federal appropriation is
5 provided solely for homeland security, subject to the following
6 conditions:

7 (a) Any communications equipment purchased by local jurisdictions
8 or state agencies shall be consistent with standards set by the
9 Washington state interoperability executive committee; and

10 (b) The department shall submit an annual report to the office of
11 financial management and the legislative fiscal committees detailing
12 the governor's domestic security advisory group recommendations;
13 homeland security revenues and expenditures, including estimates of
14 total federal funding for the state; and incremental changes from the
15 previous estimate.

16 (4) \$500,000 of the general fund--state appropriation for fiscal
17 year 2010 is provided solely for the military department to contract
18 with the Washington information network 2-1-1 to operate a statewide 2-
19 1-1 system. The department shall provide the entire amount for 2-1-1
20 and may not use any of the funds for administrative purposes.

21 **Sec. 1020.** 2011 c 5 s 126 (uncodified) is amended to read as
22 follows:

23 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

24	General Fund--State Appropriation (FY 2010)	\$2,667,000
25	General Fund--State Appropriation (FY 2011)	(\$2,345,000)
26		<u>\$2,344,000</u>
27	Higher Education Personnel Services Account--State	
28	Appropriation	\$250,000
29	Department of Personnel Service Account--State	
30	Appropriation	\$3,263,000
31	TOTAL APPROPRIATION	(\$8,525,000)
32		<u>\$8,524,000</u>

33 The appropriations in this section are subject to the following
34 conditions and limitations: \$50,000 of the general fund--state
35 appropriation for fiscal year 2011 is provided solely for
36 implementation of Engrossed Substitute Senate Bill No. 6726 (language
37 access provider bargaining).

1 **Sec. 1021.** 2011 c 5 s 127 (uncodified) is amended to read as
2 follows:

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

4	General Fund--State Appropriation (FY 2010)	\$1,371,000
5	General Fund--State Appropriation (FY 2011)	((\$1,230,000))
6		<u>\$1,197,000</u>
7	General Fund--Federal Appropriation	\$2,293,000
8	General Fund--Private/Local Appropriation	\$14,000
9	TOTAL APPROPRIATION	((\$4,908,000))
10		<u>\$4,875,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations: \$44,000 of the general fund--state
13 appropriation for fiscal year 2011 is provided for implementation of
14 Substitute House Bill No. 2704 (Washington main street program). If
15 the bill is not enacted by June 30, 2010, the amount provided in this
16 subsection shall lapse.

17 **Sec. 1022.** 2011 c 5 s 128 (uncodified) is amended to read as
18 follows:

19 **FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

20	General Fund--State Appropriation (FY 2010)	\$1,642,000
21	General Fund--State Appropriation (FY 2011)	((\$1,334,000))
22		<u>\$1,331,000</u>
23	TOTAL APPROPRIATION	((\$2,976,000))
24		<u>\$2,973,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations: \$12,000 of the general fund--state
27 appropriation for fiscal year 2011 is provided solely for Substitute
28 House Bill No. 2935 (hearings boards/environment and land use). If the
29 bill is not enacted by June 30, 2010, the amount provided in this
30 subsection shall lapse.

(End of part)

PART XI
HUMAN SERVICES

3 **Sec. 1101.** 2010 1st sp.s. c 37 s 201 (uncodified) is amended to
4 read as follows:

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

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

29 (3) The appropriations to the department of social and health
30 services in this act shall be expended for the programs and in the
31 amounts specified in this act.

32 (4) The department is authorized to develop an integrated health
33 care program designed to slow the progression of illness and disability
34 and better manage medicaid expenditures for the aged and disabled
35 population. Under this Washington medicaid integration partnership
36 (WMIP), the department may combine and transfer such medicaid funds

1 appropriated under sections 204, 206, 208, and 209 of this act as may
2 be necessary to finance a unified health care plan for the WMIP program
3 enrollment. The WMIP pilot projects shall not exceed a daily
4 enrollment of 6,000 persons, nor expand beyond one county, during the
5 2009-2011 biennium. The amount of funding assigned to the pilot
6 projects from each program may not exceed the average per capita cost
7 assumed in this act for individuals covered by that program,
8 actuarially adjusted for the health condition of persons enrolled in
9 the pilot project, times the number of clients enrolled in the pilot
10 project. In implementing the WMIP pilot projects, the department may:
11 (a) Withhold from calculations of "available resources" as set forth in
12 RCW 71.24.025 a sum equal to the capitated rate for individuals
13 enrolled in the pilots; and (b) employ capitation financing and risk-
14 sharing arrangements in collaboration with health care service
15 contractors licensed by the office of the insurance commissioner and
16 qualified to participate in both the medicaid and medicare programs.
17 The department shall conduct an evaluation of the WMIP, measuring
18 changes in participant health outcomes, changes in patterns of service
19 utilization, participant satisfaction, participant access to services,
20 and the state fiscal impact.

21 (5)(a) The appropriations to the department of social and health
22 services in this act shall be expended for the programs and in the
23 amounts specified in this act. However, after May 1, (~~2010~~) 2011,
24 unless specifically prohibited by this act, the department may transfer
25 general fund--state appropriations for fiscal year (~~2010~~) 2011 among
26 programs after approval by the director of financial management.
27 However, the department shall not transfer state moneys that are
28 provided solely for a specified purpose except as expressly provided in
29 (b) of this subsection.

30 (b) To the extent that transfers under (a) of this subsection are
31 insufficient to fund actual expenditures in excess of fiscal year
32 (~~2010~~) 2011 caseload forecasts and utilization assumptions in the
33 medical assistance, long-term care, foster care, adoptions support, and
34 child support programs, the department may transfer state moneys that
35 are provided solely for a specified purpose. The department shall not
36 transfer funds, and the director of financial management shall not
37 approve the transfer, unless the transfer is consistent with the
38 objective of conserving, to the maximum extent possible, the

1 expenditure of state funds. The director of financial management shall
 2 notify the appropriate fiscal committees of the senate and house of
 3 representatives in writing seven days prior to approving any allotment
 4 modifications or transfers under this subsection. The written
 5 notification shall include a narrative explanation and justification of
 6 the changes, along with expenditures and allotments by budget unit and
 7 appropriation, both before and after any allotment modifications or
 8 transfers.

9 (6) The legislature finds that medicaid payment rates, as
 10 calculated by the department pursuant to the appropriations in this
 11 act, bear a reasonable relationship to the costs incurred by
 12 efficiently and economically operated facilities for providing quality
 13 services and will be sufficient to enlist enough providers so that care
 14 and services are available to the extent that such care and services
 15 are available to the general population in the geographic area. The
 16 legislature finds that cost reports, payment data from the federal
 17 government, historical utilization, economic data, and clinical input
 18 constitute reliable data upon which to determine the payment rates.

19 **Sec. 1102.** 2011 c 5 s 201 (uncodified) is amended to read as
 20 follows:

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

23	General Fund--State Appropriation (FY 2010)	\$315,002,000
24	General Fund--State Appropriation (FY 2011)	(\$287,643,000)
25		<u>\$285,342,000</u>
26	General Fund--Federal Appropriation	(\$494,136,000)
27		<u>\$494,749,000</u>
28	General Fund--Private/Local Appropriation	\$3,320,000
29	Home Security Fund Appropriation	\$8,406,000
30	Domestic Violence Prevention Account--State	
31	Appropriation	\$1,154,000
32	Education Legacy Trust Account--State Appropriation	\$725,000
33	TOTAL APPROPRIATION	(\$1,110,386,000)
34		<u>\$1,108,698,000</u>

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

1 (1) \$937,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$696,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely to contract for the operation of
4 one pediatric interim care facility. The facility shall provide
5 residential care for up to thirteen children through two years of age.
6 Seventy-five percent of the children served by the facility must be in
7 need of special care as a result of substance abuse by their mothers.
8 The facility shall also provide on-site training to biological,
9 adoptive, or foster parents. The facility shall provide at least three
10 months of consultation and support to parents accepting placement of
11 children from the facility. The facility may recruit new and current
12 foster and adoptive parents for infants served by the facility. The
13 department shall not require case management as a condition of the
14 contract.

15 (2) \$369,000 of the general fund--state appropriation for fiscal
16 year 2010, \$343,000 of the general fund--state appropriation for fiscal
17 year 2011, and \$306,000 of the general fund--federal appropriation are
18 provided solely for up to three nonfacility-based programs for the
19 training, consultation, support, and recruitment of biological, foster,
20 and adoptive parents of children through age three in need of special
21 care as a result of substance abuse by their mothers, except that each
22 program may serve up to three medically fragile nonsubstance-abuse-
23 affected children. In selecting nonfacility-based programs, preference
24 shall be given to programs whose federal or private funding sources
25 have expired or that have successfully performed under the existing
26 pediatric interim care program.

27 (3) \$2,500,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$46,000 of the general fund--state appropriation for
29 fiscal year 2011, and \$2,098,000 of the home security fund--state
30 appropriation are provided solely for secure crisis residential
31 centers. Within appropriated amounts, the department shall collaborate
32 with providers to maintain no less than forty-five beds that are
33 geographically representative of the state. The department shall
34 examine current secure crisis residential staffing requirements,
35 flexible payment options, center specific waivers, and other
36 appropriate methods to accomplish this outcome.

37 (4) A maximum of \$69,190,000 of the general fund--state
38 appropriations and \$54,443,000 of the general fund--federal

1 appropriations for the 2009-11 biennium shall be expended for
2 behavioral rehabilitative services and these amounts are provided
3 solely for this purpose. The department shall work with behavioral
4 rehabilitative service providers to safely keep youth with emotional,
5 behavioral, or medical needs at home, with relatives, or with other
6 permanent placement resources and decrease the length of service
7 through improved emotional, behavioral, or medical outcomes for
8 children in behavioral rehabilitative services in order to achieve the
9 appropriated levels.

10 (a) Contracted providers shall act in good faith and accept the
11 hardest to serve children, to the greatest extent possible, in order to
12 improve their emotional, behavioral, or medical conditions.

13 (b) The department and the contracted provider shall mutually agree
14 and establish an exit date for when the child is to exit the behavioral
15 rehabilitative service provider. The department and the contracted
16 provider should mutually agree, to the greatest extent possible, on a
17 viable placement for the child to go to once the child's treatment
18 process has been completed. The child shall exit only when the
19 emotional, behavioral, or medical condition has improved or if the
20 provider has not shown progress toward the outcomes specified in the
21 signed contract at the time of exit. This subsection (b) does not
22 prevent or eliminate the department's responsibility for removing the
23 child from the provider if the child's emotional, behavioral, or
24 medical condition worsens or is threatened.

25 (c) The department is encouraged to use performance-based contracts
26 with incentives directly tied to outcomes described in this section.
27 The contracts should incentivize contracted providers to accept the
28 hardest to serve children and incentivize improvement in children's
29 emotional, mental, and medical well-being within the established exit
30 date. The department is further encouraged to increase the use of
31 behavioral rehabilitative service group homes, wrap around services to
32 facilitate and support placement of youth at home with relatives, or
33 other permanent resources, and other means to control expenditures.

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

37 (5) Within amounts provided for the foster care and adoption
38 support programs, the department shall control reimbursement decisions

1 for foster care and adoption support cases such that the aggregate
2 average cost per case for foster care and for adoption support does not
3 exceed the amounts assumed in the projected caseload expenditures.

4 (6) \$13,387,000 of the general fund--state appropriation for fiscal
5 year 2011 and \$6,231,000 of the general fund--federal appropriation are
6 provided solely for the department to provide contracted prevention and
7 early intervention services. The legislature recognizes the need for
8 flexibility as the department transitions to performance-based
9 contracts. The following services are included in the prevention and
10 early intervention block grant: Crisis family intervention services,
11 family preservation services, intensive family preservation services,
12 evidence-based programs, public health nurses, and early family support
13 services. The legislature intends for the department to maintain and
14 build on existing evidence-based and research-based programs with the
15 goal of utilizing contracted prevention and intervention services to
16 keep children safe at home and to safely reunify families. Priority
17 shall be given to proven intervention models, including evidence-based
18 prevention and early intervention programs identified by the Washington
19 state institute for public policy and the department. The department
20 shall include information on the number, type, and outcomes of the
21 evidence-based programs being implemented in its reports on child
22 welfare reform efforts and shall provide the legislature and governor
23 a report regarding the allocation of resources in this subsection by
24 September 30, 2010. The department shall expend federal funds under
25 this subsection in compliance with federal regulations.

26 (7) \$36,000 of the general fund--state appropriation for fiscal
27 year 2010, \$34,000 of the general fund--state appropriation for fiscal
28 year 2011, and \$29,000 of the general fund--federal appropriation are
29 provided solely for the implementation of chapter 465, Laws of 2007
30 (child welfare).

31 (8) \$125,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$118,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for continuum of care services.
34 \$100,000 of this amount is for Casey family partners and \$25,000 of
35 this amount is for volunteers of America crosswalk in fiscal year 2010.
36 \$95,000 of this amount is for Casey family partners and \$23,000 of this
37 amount is for volunteers of America crosswalk in fiscal year 2011.

1 (9) \$1,904,000 of the general fund--state appropriation for fiscal
2 year 2010, \$1,441,000 of the general fund--state appropriation for
3 fiscal year 2011, and \$335,000 of the general fund--federal
4 appropriation are provided solely to contract with medical
5 professionals for comprehensive safety assessments of high-risk
6 families and for foster care assessments. The safety assessments will
7 use validated assessment tools to guide intervention decisions through
8 the identification of additional safety and risk factors. The
9 department will maintain the availability of comprehensive foster care
10 assessments and follow up services for children in out-of-home care who
11 do not have permanent plans, comprehensive safety assessments for
12 families receiving in-home child protective services or family
13 voluntary services, and comprehensive safety assessments for families
14 with an infant age birth to fifteen days where the infant was, at
15 birth, diagnosed as substance exposed and the department received an
16 intake referral related to the infant due to the substance exposure.
17 The department must consolidate contracts, streamline administration,
18 and explore efficiencies to achieve savings.

19 (10) \$7,679,000 of the general fund--state appropriation for fiscal
20 year 2010, \$6,226,000 of the general fund--state appropriation for
21 fiscal year 2011, and \$4,658,000 of the general fund--federal
22 appropriation are provided solely for court-ordered supervised visits
23 between parents and dependent children and for sibling visits. The
24 department shall work collaboratively with the juvenile dependency
25 courts and revise the supervised visit reimbursement procedures to stay
26 within appropriations without impeding reunification outcomes between
27 parents and dependent children. The department shall report to the
28 legislative fiscal committees on September 30, 2010, and December 30,
29 2010, the number of children in foster care who receive supervised
30 visits, their frequency, length of time of each visit, and whether
31 reunification is attained.

32 (11) \$145,000 of the general fund--state appropriation for fiscal
33 year 2010, \$817,000 of the general fund--state appropriation for fiscal
34 year 2011, and \$668,000 of the home security fund--state appropriation
35 is provided solely for street youth program services.

36 (12) \$1,522,000 of the general fund--state appropriation for fiscal
37 year 2010, \$1,256,000 of the general fund--state appropriation for
38 fiscal year 2011, and \$1,372,000 of the general fund--federal

1 appropriation are provided solely for the department to recruit foster
2 parents. The recruitment efforts shall include collaborating with
3 community-based organizations and current or former foster parents to
4 recruit foster parents.

5 (13) \$493,000 of the general fund--state appropriation for fiscal
6 year 2010, \$102,000 of the general fund--state appropriation for fiscal
7 year 2011, \$466,000 of the general fund--private/local appropriation,
8 \$182,000 of the general fund--federal appropriation, and \$725,000 of
9 the education legacy trust account--state appropriation are provided
10 solely for children's administration to contract with an educational
11 advocacy provider with expertise in foster care educational outreach.
12 Funding is provided solely for contracted education coordinators to
13 assist foster children in succeeding in K-12 and higher education
14 systems. Funding shall be prioritized to regions with high numbers of
15 foster care youth and/or regions where backlogs of youth that have
16 formerly requested educational outreach services exist. The department
17 shall utilize private matching funds to maintain educational advocacy
18 services.

19 (14) \$1,273,000 of the home security fund account--state
20 appropriation is provided solely for HOPE beds.

21 (15) \$4,234,000 of the home security fund account--state
22 appropriation is provided solely for the crisis residential centers.

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

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

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

10 (18) \$157,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$78,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the department to contract
13 with a nonprofit entity for a reunification pilot project in Whatcom
14 and Skagit counties. The contract for the reunification pilot project
15 shall include a rate of \$46.16 per hour for evidence-based
16 interventions, in combination with supervised visits, to provide 3,564
17 hours of services to reduce the length of stay for children in the
18 child welfare system. The contract shall also include evidence-based
19 intensive parenting skills building services and family support case
20 management services for 38 families participating in the reunification
21 pilot project. The contract shall include the flexibility for the
22 nonprofit entity to subcontract with trained providers.

23 (19) \$303,000 of the general fund--state appropriation for fiscal
24 year 2010, \$392,000 of the general fund--state appropriation for fiscal
25 year 2011, and \$241,000 of the general fund--federal appropriation are
26 provided solely to implement Engrossed Substitute House Bill No. 1961
27 (increasing adoptions act). If the bill is not enacted by June 30,
28 2009, the amounts provided in this subsection shall lapse.

29 (20) \$98,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$49,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the department to contract
32 with an agency that is working in partnership with, and has been
33 evaluated by, the University of Washington school of social work to
34 implement promising practice constellation hub models of foster care
35 support.

36 (21) The legislature intends for the department to reduce the time
37 a child remains in the child welfare system. The department shall
38 establish a measurable goal and report progress toward meeting that

1 goal to the legislature by January 15 of each fiscal year of the
2 2009-11 fiscal biennium. To the extent that actual caseloads exceed
3 those assumed in this section, it is the intent of the legislature to
4 address those issues in a manner similar to all other caseload
5 programs.

6 (22) \$715,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$671,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for services provided through
9 children's advocacy centers.

10 (23) \$10,000 of the general fund--state appropriation for fiscal
11 year 2011 and \$3,000 of the general fund--federal appropriation are
12 provided solely for implementation of chapter 224, Laws of 2010
13 (confinement alternatives). If the bill is not enacted by June 30,
14 2010, the amounts provided in this subsection shall lapse.

15 (24) \$1,867,000 of the general fund--state appropriation for fiscal
16 year 2010, \$1,677,000 of the general fund--state appropriation for
17 fiscal year 2011, and \$4,379,000 of the general fund--federal
18 appropriation are provided solely for the department to contract for
19 medicaid treatment child care (MTCC) services. Children's
20 administration case workers, local public health nurses and case
21 workers from the temporary assistance for needy families program shall
22 refer children to MTCC services, as long as the children meet the
23 eligibility requirements as outlined in the Washington state plan for
24 the MTCC services.

25 (25) The department shall contract for at least one pilot project
26 with adolescent services providers to deliver a continuum of short-term
27 crisis stabilization services. The pilot project shall include
28 adolescent services provided through secure crisis residential centers,
29 crisis residential centers, and hope beds. The department shall work
30 with adolescent service providers to maintain availability of
31 adolescent services and maintain the delivery of services in a
32 geographically representative manner. The department shall examine
33 current staffing requirements, flexible payment options, center-
34 specific licensing waivers, and other appropriate methods to achieve
35 savings and streamline the delivery of services. The legislature
36 intends for the pilot project to provide flexibility to the department
37 to improve outcomes and to achieve more efficient utilization of
38 existing resources, while meeting the statutory goals of the adolescent

1 services programs. The department shall provide an update to the
2 appropriate legislative committees and governor on the status of the
3 pilot project implementation by December 1, 2010.

4 (26) To ensure expenditures remain within available funds
5 appropriated in this section as required by RCW 74.13A.005 and
6 74.13A.020, the secretary shall not set the amount of any adoption
7 assistance payment or payments, made pursuant to RCW 26.33.320 and
8 74.13A.005 through 74.13A.080, to more than ninety percent of the
9 foster care maintenance payment for that child had he or she remained
10 in a foster family home during the same period. This subsection does
11 not apply to adoption assistance agreements in existence on the
12 effective date of this section.

13 (27) Receipts from fees per chapter 289, Laws of 2010, as deposited
14 into the prostitution prevention and intervention account for services
15 provided to sexually exploited children as defined in RCW 13.32A.030 in
16 secure and semi-secure crisis residential centers with access to staff
17 trained to meet their specific needs shall be used to expand capacity
18 for secure crisis residential centers and not supplant existing
19 funding.

20 ~~((28) The appropriations in this section reflect reductions to the
21 foster care maintenance payment rates during fiscal year 2011.))~~

22 **Sec. 1103.** 2011 c 5 s 202 (uncodified) is amended to read as
23 follows:

24 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
25 **REHABILITATION PROGRAM**

26	General Fund--State Appropriation (FY 2010)	\$103,437,000
27	General Fund--State Appropriation (FY 2011)	((\$90,240,000))
28		<u>\$89,127,000</u>
29	General Fund--Federal Appropriation	((\$1,715,000))
30		<u>\$1,734,000</u>
31	General Fund--Private/Local Appropriation	((\$1,899,000))
32		<u>\$1,931,000</u>
33	Washington Auto Theft Prevention Authority Account--	
34	State Appropriation	\$3,896,000
35	Juvenile Accountability Incentive Account--Federal	
36	Appropriation	\$2,805,000
37	State Efficiency and Restructuring Account--State	

1	Appropriation	\$4,958,000
2	TOTAL APPROPRIATION	(\$208,950,000)
3		<u>\$207,888,000</u>

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

6 (1) \$353,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$331,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for deposit in the county criminal
9 justice assistance account for costs to the criminal justice system
10 associated with the implementation of chapter 338, Laws of 1997
11 (juvenile code revisions). The amounts provided in this subsection are
12 intended to provide funding for county adult court costs associated
13 with the implementation of chapter 338, Laws of 1997 and shall be
14 distributed in accordance with RCW 82.14.310.

15 (2) \$3,408,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$2,716,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the implementation of chapter
18 338, Laws of 1997 (juvenile code revisions). The amounts provided in
19 this subsection are intended to provide funding for county impacts
20 associated with the implementation of chapter 338, Laws of 1997 and
21 shall be distributed to counties as prescribed in the current
22 consolidated juvenile services (CJS) formula.

23 (3) \$3,716,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$3,482,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely to implement community juvenile
26 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
27 code revisions). Funds provided in this subsection may be used solely
28 for community juvenile accountability grants, administration of the
29 grants, and evaluations of programs funded by the grants.

30 (4) \$1,427,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$1,130,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely to implement alcohol and substance
33 abuse treatment programs for locally committed offenders. The juvenile
34 rehabilitation administration shall award these moneys on a competitive
35 basis to counties that submitted a plan for the provision of services
36 approved by the division of alcohol and substance abuse. The juvenile
37 rehabilitation administration shall develop criteria for evaluation of

1 plans submitted and a timeline for awarding funding and shall assist
2 counties in creating and submitting plans for evaluation.

3 (5) \$3,066,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$2,873,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for grants to county juvenile
6 courts for the following programs identified by the Washington state
7 institute for public policy (institute) in its October 2006 report:
8 "Evidence-Based Public Policy Options to Reduce Future Prison
9 Construction, Criminal Justice Costs and Crime Rates": Functional
10 family therapy, multi-systemic therapy, aggression replacement training
11 and interagency coordination programs, or other programs with a
12 positive benefit-cost finding in the institute's report. County
13 juvenile courts shall apply to the juvenile rehabilitation
14 administration for funding for program-specific participation and the
15 administration shall provide grants to the courts consistent with the
16 per-participant treatment costs identified by the institute.

17 (6) \$1,287,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$1,287,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for expansion of the following
20 treatments and therapies in juvenile rehabilitation administration
21 programs identified by the Washington state institute for public policy
22 in its October 2006 report: "Evidence-Based Public Policy Options to
23 Reduce Future Prison Construction, Criminal Justice Costs and Crime
24 Rates": Multidimensional treatment foster care, family integrated
25 transitions, and aggression replacement training. The administration
26 may concentrate delivery of these treatments and therapies at a limited
27 number of programs to deliver the treatments in a cost-effective
28 manner.

29 (7)(a) For the fiscal year ending June 30, 2011, the juvenile
30 rehabilitation administration shall administer a block grant, rather
31 than categorical funding, of consolidated juvenile service funds,
32 community juvenile accountability act grants, the chemical dependency
33 disposition alternative funds, the mental health disposition
34 alternative, and the sentencing disposition alternative for the purpose
35 of serving youth adjudicated in the juvenile justice system. In making
36 the block grant, the juvenile rehabilitation administration shall
37 follow the following formula and will prioritize evidence-based
38 programs and disposition alternatives and take into account juvenile

1 courts program-eligible youth in conjunction with the number of youth
2 served in each approved evidence-based program or disposition
3 alternative: (i) Thirty-seven and one-half percent for the at-risk
4 population of youth ten to seventeen years old; (ii) fifteen percent
5 for moderate and high-risk youth; (iii) twenty-five percent for
6 evidence-based program participation; (iv) seventeen and one-half
7 percent for minority populations; (v) three percent for the chemical
8 dependency disposition alternative; and (vi) two percent for the mental
9 health and sentencing dispositional alternatives. Funding for the
10 special sex offender disposition alternative (SSODA) shall not be
11 included in the block grant, but allocated on the average daily
12 population in juvenile courts. Funding for the evidence-based
13 expansion grants shall be excluded from the block grant formula. Funds
14 may be used for promising practices when approved by the juvenile
15 rehabilitation administration and juvenile courts, through the
16 community juvenile accountability act committee, based on the criteria
17 established in consultation with Washington state institute for public
18 policy and the juvenile courts.

19 (b) It is the intent of the legislature that the juvenile
20 rehabilitation administration phase the implementation of the formula
21 provided in subsection (1) of this section by including a stop-loss
22 formula of three percent in fiscal year 2011, five percent in fiscal
23 year 2012, and five percent in fiscal year 2013. It is further the
24 intent of the legislature that the evidence-based expansion grants be
25 incorporated into the block grant formula by fiscal year 2013 and SSODA
26 remain separate unless changes would result in increasing the cost
27 benefit savings to the state as identified in (c) of this subsection.

28 (c) The juvenile rehabilitation administration and the juvenile
29 courts shall establish a block grant funding formula oversight
30 committee with equal representation from the juvenile rehabilitation
31 administration and the juvenile courts. The purpose of this committee
32 is to assess the ongoing implementation of the block grant funding
33 formula, utilizing data-driven decision making and the most current
34 available information. The committee will be cochaired by the juvenile
35 rehabilitation administration and the juvenile courts, who will also
36 have the ability to change members of the committee as needed to
37 achieve its purpose. Initial members will include one juvenile court
38 representative from the finance committee, the community juvenile

1 accountability act committee, the risk assessment quality assurance
2 committee, the executive board of the Washington association of
3 juvenile court administrators, the Washington state center for court
4 research, and a representative of the superior court judges
5 association; two representatives from the juvenile rehabilitation
6 administration headquarters program oversight staff, two
7 representatives of the juvenile rehabilitation administration regional
8 office staff, one representative of the juvenile rehabilitation
9 administration fiscal staff and a juvenile rehabilitation
10 administration division director. The committee may make changes to
11 the formula categories other than the evidence-based program and
12 disposition alternative categories if it is determined the changes will
13 increase statewide service delivery or effectiveness of evidence-based
14 program or disposition alternative resulting in increased cost benefit
15 savings to the state. Long-term cost benefit must be considered.
16 Percentage changes may occur in the evidence-based program or
17 disposition alternative categories of the formula should it be
18 determined the changes will increase evidence-based program or
19 disposition alternative delivery and increase the cost benefit to the
20 state. These outcomes will also be considered in determining when
21 evidence-based expansion or special sex offender disposition
22 alternative funds should be included in the block grant or left
23 separate.

24 (d) The juvenile courts and administrative office of the courts
25 shall be responsible for collecting and distributing information and
26 providing access to the data systems to the juvenile rehabilitation
27 administration and the Washington state institute for public policy
28 related to program and outcome data. The juvenile rehabilitation
29 administration and the juvenile courts will work collaboratively to
30 develop program outcomes that reinforce the greatest cost benefit to
31 the state in the implementation of evidence-based practices and
32 disposition alternatives.

33 (e) By December 1, 2010, the Washington state institute for public
34 policy shall report to the office of financial management and
35 appropriate committees of the legislature on the administration of the
36 block grant authorized in this subsection. The report shall include
37 the criteria used for allocating the funding as a block grant and the

1 participation targets and actual participation in the programs subject
2 to the block grant.

3 (8) \$3,700,000 of the Washington auto theft prevention authority
4 account--state appropriation is provided solely for competitive grants
5 to community-based organizations to provide at-risk youth intervention
6 services, including but not limited to, case management, employment
7 services, educational services, and street outreach intervention
8 programs. Projects funded should focus on preventing, intervening, and
9 suppressing behavioral problems and violence while linking at-risk
10 youth to pro-social activities. The department may not expend more
11 than \$1,850,000 per fiscal year. The costs of administration must not
12 exceed four percent of appropriated funding for each grant recipient.
13 Each entity receiving funds must report to the juvenile rehabilitation
14 administration on the number and types of youth served, the services
15 provided, and the impact of those services upon the youth and the
16 community.

17 (9) The appropriations in this section assume savings associated
18 with the transfer of youthful offenders age eighteen or older whose
19 sentences extend beyond age twenty-one to the department of corrections
20 to complete their sentences. Prior to transferring an offender to the
21 department of corrections, the juvenile rehabilitation administration
22 shall evaluate the offender to determine the offender's physical and
23 emotional suitability for transfer.

24 **Sec. 1104.** 2011 c 5 s 203 (uncodified) is amended to read as
25 follows:

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

28 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

29 General Fund--State Appropriation (FY 2010)	\$273,648,000
30 General Fund--State Appropriation (FY 2011)	((\$263,993,000))
31	<u>\$271,260,000</u>
32 General Fund--Federal Appropriation	((\$520,024,000))
33	<u>\$513,373,000</u>
34 General Fund--Private/Local Appropriation	\$16,951,000
35 Hospital Safety Net Assessment Fund--State	
36 Appropriation	\$3,476,000
37 TOTAL APPROPRIATION	((\$1,078,092,000))

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

(a) \$113,689,000 of the general fund--state appropriation for fiscal year 2010 and \$101,089,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for persons and services not covered by the medicaid program. This is a reduction in fiscal year 2010 of \$11,606,000 (~~(each fiscal year)~~) and in fiscal year 2011 of \$24,206,000 from the nonmedicaid funding that was allocated for expenditure by regional support networks during fiscal year 2009 prior to supplemental budget reductions. (~~(This — \$11,606,000)~~) These reductions shall be distributed among regional support networks proportional to each network's share of the total state population. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance.

(b) \$10,400,000 of the general fund--state appropriation for fiscal year 2010, \$8,814,000 of the general fund--state appropriation for fiscal year 2011, and \$1,300,000 of the general fund--federal appropriation are provided solely for the department and regional support networks to contract for implementation of high-intensity program for active community treatment (PACT) teams. The department shall work with regional support networks and the center for medicare and medicaid services to integrate eligible components of the PACT service delivery model into medicaid capitation rates no later than January 2011, while maintaining consistency with all essential elements of the PACT evidence-based practice model.

(c) \$6,500,000 of the general fund--state appropriation for fiscal year 2010 and \$6,091,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the western Washington regional support networks to provide either community- or hospital campus-based services for persons who require the level of care provided by the program for adaptive living skills (PALS) at western state hospital.

(d) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The

1 number of nonforensic beds allocated for use by regional support
2 networks at western state hospital shall be 617 per day during the
3 first quarter of fiscal year 2010, 587 per day through the second
4 quarter of fiscal year 2011, and 557 per day thereafter. Beds in the
5 program for adaptive living skills (PALS) are not included in the
6 preceding bed allocations. The department shall separately charge
7 regional support networks for persons served in the PALS program.

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

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

20 (g) The department is authorized to continue to contract directly,
21 rather than through contracts with regional support networks, for
22 children's long-term inpatient facility services.

23 (h) \$750,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$703,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely to continue performance-based
26 incentive contracts to provide appropriate community support services
27 for individuals with severe mental illness who were discharged from the
28 state hospitals as part of the expanding community services initiative.
29 These funds will be used to enhance community residential and support
30 services provided by regional support networks through other state and
31 federal funding.

32 (i) \$1,500,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$1,500,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the Spokane regional support
35 network to implement services to reduce utilization and the census at
36 eastern state hospital. Such services shall include:

37 (i) High intensity treatment team for persons who are high

1 utilizers of psychiatric inpatient services, including those with co-
2 occurring disorders and other special needs;

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

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

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

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

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

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

36 (l) In developing the new medicaid managed care rates under which
37 the public mental health managed care system will operate during the
38 five years beginning in fiscal year 2011, the department should seek to

1 estimate the reasonable and necessary cost of efficiently and
2 effectively providing a comparable set of medically necessary mental
3 health benefits to persons of different acuity levels regardless of
4 where in the state they live. Actual prior period spending in a
5 regional administrative area shall not be a key determinant of future
6 payment rates. The department shall report to the office of financial
7 management and to the relevant fiscal and policy committees of the
8 legislature on its proposed new waiver and mental health managed care
9 rate-setting approach by October 1, 2009, and again at least sixty days
10 prior to implementation of new capitation rates.

11 (m) In implementing the new public mental health managed care
12 payment rates for fiscal year 2011, the department shall to the maximum
13 extent possible within each regional support network's allowable rate
14 range establish rates so that there is no increase or decrease in the
15 total state and federal funding that the regional support network would
16 receive if it were to continue to be paid at its October 2009 through
17 June 2010 rates. The department shall additionally revise the draft
18 rates issued January 28, 2010, to more accurately reflect the lower
19 practitioner productivity inherent in the delivery of services in
20 extremely rural regions in which a majority of the population reside in
21 frontier counties, as defined and designated by the national center for
22 frontier communities.

23 (n) \$1,529,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$1,529,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely to reimburse Pierce and Spokane
26 counties for the cost of conducting 180-day commitment hearings at the
27 state psychiatric hospitals.

28 (o) The legislature intends and expects that regional support
29 networks and contracted community mental health agencies shall make all
30 possible efforts to, at a minimum, maintain current compensation levels
31 of direct care staff. Such efforts shall include, but not be limited
32 to, identifying local funding that can preserve client services and
33 staff compensation, achieving administrative reductions at the regional
34 support network level, and engaging stakeholders on cost-savings ideas
35 that maintain client services and staff compensation. For purposes of
36 this section, "direct care staff" means persons employed by community
37 mental health agencies whose primary responsibility is providing direct
38 treatment and support to people with mental illness, or whose primary

1 responsibility is providing direct support to such staff in areas such
2 as client scheduling, client intake, client reception, client records-
3 keeping, and facilities maintenance.

4 (p) Regional support networks may use local funds to earn
5 additional federal medicaid match, provided the locally matched rate
6 does not exceed the upper-bound of their federally allowable rate
7 range, and provided that the enhanced funding is used only to provide
8 medicaid state plan or waiver services to medicaid clients.
9 Additionally, regional support networks may use a portion of the state
10 funds allocated in accordance with (a) of this subsection to earn
11 additional medicaid match, but only to the extent that the application
12 of such funds to medicaid services does not diminish the level of
13 crisis and commitment, community inpatient, residential care, and
14 outpatient services presently available to persons not eligible for
15 medicaid.

16 (2) INSTITUTIONAL SERVICES

17	General Fund--State Appropriation (FY 2010)	\$119,423,000
18	General Fund--State Appropriation (FY 2011)	(\$112,514,000)
19		<u>\$111,365,000</u>
20	General Fund--Federal Appropriation	(\$152,195,000)
21		<u>\$154,399,000</u>
22	General Fund--Private/Local Appropriation	(\$63,873,000)
23		<u>\$64,789,000</u>
24	TOTAL APPROPRIATION	(\$448,005,000)
25		<u>\$449,976,000</u>

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

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

31 (b) \$231,000 of the general fund--state appropriation for fiscal
32 year 2008 and \$216,000 of the general fund--state appropriation for
33 fiscal year 2009 are provided solely for a community partnership
34 between western state hospital and the city of Lakewood to support
35 community policing efforts in the Lakewood community surrounding
36 western state hospital. The amounts provided in this subsection (2)(b)
37 are for the salaries, benefits, supplies, and equipment for one full-

1 time investigator, one full-time police officer, and one full-time
2 community service officer at the city of Lakewood.

3 (c) \$45,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$42,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for payment to the city of
6 Lakewood for police services provided by the city at western state
7 hospital and adjacent areas.

8 (d) \$187,000 of the general fund--state appropriation for fiscal
9 year 2011 is provided solely for support of the psychiatric security
10 review panel established pursuant to Senate Bill No. 6610. If Senate
11 Bill No. 6610 is not enacted by June 30, 2010, the amount provided in
12 this subsection shall lapse.

13 (3) SPECIAL PROJECTS

14	General Fund--State Appropriation (FY 2010)	\$1,819,000
15	General Fund--State Appropriation (FY 2011)	\$1,961,000
16	General Fund--Federal Appropriation	(\$2,142,000)
17		<u>\$2,538,000</u>
18	TOTAL APPROPRIATION	(\$5,922,000)
19		<u>\$6,318,000</u>

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

22 (a) \$1,511,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$1,416,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for children's evidence based
25 mental health services. Funding is sufficient to continue serving
26 children at the same levels as fiscal year 2009.

27 (b) \$94,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for consultation, training, and technical
29 assistance to regional support networks on strategies for effective
30 service delivery in very sparsely populated counties.

31 (c) \$56,000 of the general fund--state appropriation for fiscal
32 year 2011 is provided solely for the department to contract with the
33 Washington state institute for public policy for completion of the
34 research reviews to be conducted in accordance with chapter 263, Laws
35 of 2010.

36 (d) \$56,000 of the general fund--state appropriation for fiscal
37 year 2011 is provided solely for the department to contract with the

1 Washington state institute for public policy for completion of the
2 research reviews to be conducted in accordance with section 1, chapter
3 280, Laws of 2010.

4 (e) \$56,000 of the general fund--state appropriation for fiscal
5 year 2011 is provided solely for implementation of sections 2 and 3,
6 chapter 280, Laws of 2010. The department shall use these funds to
7 contract with the Washington state institute for public policy for
8 completion of an assessment of (i) the extent to which the number of
9 persons involuntarily committed for 3, 14, and 90 days is likely to
10 increase as a result of the revised commitment standards; (ii) the
11 availability of community treatment capacity to accommodate that
12 increase; (iii) strategies for cost-effectively leveraging state,
13 local, and private resources to increase community involuntary
14 treatment capacity; and (iv) the extent to which increases in
15 involuntary commitments are likely to be offset by reduced utilization
16 of correctional facilities, publicly-funded medical care, and state
17 psychiatric hospitalizations.

18 (4) PROGRAM SUPPORT

19	General Fund--State Appropriation (FY 2010)	\$4,078,000
20	General Fund--State Appropriation (FY 2011)	((\$3,722,000))
21		<u>\$4,002,000</u>
22	General Fund--Federal Appropriation	((\$7,207,000))
23		<u>\$6,920,000</u>
24	TOTAL APPROPRIATION	((\$15,007,000))
25		<u>\$15,000,000</u>

26 The department is authorized and encouraged to continue its
27 contract with the Washington state institute for public policy to
28 provide a longitudinal analysis of long-term mental health outcomes as
29 directed in chapter 334, Laws of 2001 (mental health performance
30 audit); to build upon the evaluation of the impacts of chapter 214,
31 Laws of 1999 (mentally ill offenders); and to assess program outcomes
32 and cost effectiveness of the children's mental health pilot projects
33 as required by chapter 372, Laws of 2006.

34 **Sec. 1105.** 2011 c 5 s 204 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**

1 **DISABILITIES PROGRAM**

2 (1) COMMUNITY SERVICES

3	General Fund--State Appropriation (FY 2010)	\$307,348,000
4	General Fund--State Appropriation (FY 2011)	((\$321,752,000))
5		<u>\$329,639,000</u>
6	General Fund--Federal Appropriation	((\$890,274,000))
7		<u>\$870,232,000</u>
8	TOTAL APPROPRIATION	((\$1,519,374,000))
9		<u>\$1,507,219,000</u>

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

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

16 (b)(i) Amounts appropriated in this section reflect a reduction to
17 funds appropriated for in-home care. The department shall reduce the
18 number of in-home hours authorized. The reduction shall be scaled
19 based on the acuity level of care recipients. The largest hour
20 reductions shall be to lower acuity patients and the smallest hour
21 reductions shall be to higher acuity patients. In doing so, the
22 department shall comply with all maintenance of effort requirements
23 contained in the American reinvestment and recovery act.

24 (ii) \$508,000 of the general fund--state appropriation for fiscal
25 year 2011 and \$822,000 of the general fund--federal appropriation are
26 provided solely for the department to partially restore the reductions
27 to in-home care that are taken in (b)(i) of this subsection. The
28 department will use the same formula to restore personal care hours
29 that it used to reduce personal care hours.

30 (c) Amounts appropriated in this section are sufficient to develop
31 and implement the use of a consistent, statewide outcome-based vendor
32 contract for employment and day services by April 1, 2011. The rates
33 paid to vendors under this contract shall also be made consistent. In
34 its description of activities the agency shall include activity
35 listings and dollars appropriated for: Employment services, day
36 services, child development services and county administration of
37 services to the developmentally disabled. The department shall begin

1 reporting to the office of financial management on these activities
2 beginning in fiscal year 2010.

3 (d) \$302,000 of the general fund--state appropriation for fiscal
4 year 2010, \$831,000 of the general fund--state appropriation for fiscal
5 year 2011, and \$1,592,000 of the general fund--federal appropriation
6 are provided solely for health care benefits pursuant to a collective
7 bargaining agreement negotiated with the exclusive bargaining
8 representative of individual providers established under RCW
9 74.39A.270.

10 (e)(i) \$682,000 of the general fund--state appropriation for fiscal
11 year 2010, \$1,651,000 of the general fund--state appropriation for
12 fiscal year 2011, and \$1,678,000 of the general fund--federal
13 appropriation are provided solely for the state's contribution to the
14 training partnership, as provided in RCW 74.39A.360, pursuant to a
15 collective bargaining agreement negotiated with the exclusive
16 bargaining representative of individual providers established under RCW
17 74.39A.270.

18 (ii) The federal portion of the amounts in this subsection (~~((g))~~)
19 is contingent upon federal approval of participation in contributions
20 to the trust and shall remain unallotted and placed in reserve status
21 until the office of financial management and the department of social
22 and health services receive federal approval.

23 (iii) Expenditures for the purposes specified in this subsection
24 (~~((g))~~) shall not exceed the amounts provided in this subsection.

25 (f) Within the amounts appropriated in this subsection (1), the
26 department shall implement all necessary rules to facilitate the
27 transfer to a department home and community-based services (HCBS)
28 waiver of all eligible individuals who (i) currently receive services
29 under the existing state-only employment and day program or the
30 existing state-only residential program, and (ii) otherwise meet the
31 waiver eligibility requirements. The amounts appropriated are
32 sufficient to ensure that all individuals currently receiving services
33 under the state-only employment and day and state-only residential
34 programs who are not transferred to a department HCBS waiver will
35 continue to receive services.

36 (g) In addition to other reductions, the appropriations in this
37 subsection reflect reductions targeted specifically to state government
38 administrative costs. These administrative reductions shall be

1 achieved, to the greatest extent possible, by reducing those
2 administrative costs that do not affect direct client services or
3 direct service delivery or programs.

4 (h) The department shall not pay a home care agency licensed under
5 chapter 70.127 RCW for personal care services provided by a family
6 member, pursuant to Substitute House Bill No. 2361 (modifying state
7 payments for in-home care).

8 (i) Within the appropriations of this section, the department shall
9 reduce all seventeen payment levels of the seventeen-level payment
10 system from the fiscal year 2009 levels for boarding homes, boarding
11 homes contracted as assisted living, and adult family homes. Excluded
12 from the reductions are exceptional care rate add-ons. The long-term
13 care program may develop add-ons to pay exceptional care rates to adult
14 family homes and boarding homes with specialty contracts to provide
15 support for the following specifically eligible clients:

16 (i) Persons with AIDS or HIV-related diseases who might otherwise
17 require nursing home or hospital care;

18 (ii) Persons with Alzheimer's disease and related dementia who
19 might otherwise require nursing home care; and

20 (iii) Persons with co-occurring mental illness and long-term care
21 needs who are eligible for expanded community services and who might
22 otherwise require state and local psychiatric hospital care.

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

26 (j) The amounts appropriated in this subsection reflect a reduction
27 in funds available for employment and day services. In administering
28 this reduction the department shall negotiate with counties and their
29 vendors so that this reduction, to the greatest extent possible, is
30 achieved by reducing vendor rates and allowable contract administrative
31 charges (overhead) and not through reductions to direct client services
32 or direct service delivery or programs.

33 (k) As part of the needs assessment instrument, the department may
34 collect data on family income for minor children with developmental
35 disabilities and all individuals who are receiving state-only funded
36 services. The department may ensure that this information is collected
37 as part of the client assessment process.

1 (1) \$116,000 of the general fund--state appropriation for fiscal
 2 year 2010, \$2,133,000 of the general fund--state appropriation for
 3 fiscal year 2011, and \$1,772,000 of the general fund--federal
 4 appropriation are provided solely for employment services and required
 5 waiver services. Priority consideration for this new funding shall be
 6 young adults with developmental disabilities living with their family
 7 who need employment opportunities and assistance after high school
 8 graduation. Services shall be provided for both waiver and nonwaiver
 9 clients.

10 (m) \$81,000 of the general fund--state appropriation for fiscal
 11 year 2010, \$599,000 of the general fund--state appropriation for fiscal
 12 year 2011, and \$1,111,000 of the general fund--federal appropriation
 13 are provided solely for the department to provide employment and day
 14 services for eligible students who are currently on a waiver and will
 15 graduate from high school during fiscal years 2010 and 2011.

16 (n) The automatic award of additional hours of personal care for
 17 people with special meal preparation or incontinence needs is
 18 eliminated. Authorization of service hours will be based upon the
 19 individual's assessed needs.

20 (o) \$75,000 of the general fund--state appropriation for fiscal
 21 year 2011 is provided solely for the restoration of direct support to
 22 local organizations that utilize parent-to-parent networks and
 23 communication to promote access and quality of care for individuals
 24 with developmental disabilities and their families.

25 (2) INSTITUTIONAL SERVICES

26	General Fund--State Appropriation (FY 2010)	\$61,422,000
27	General Fund--State Appropriation (FY 2011)	(\$62,551,000)
28		<u>\$66,554,000</u>
29	General Fund--Federal Appropriation	(\$205,440,000)
30		<u>\$200,262,000</u>
31	General Fund--Private/Local Appropriation	(\$22,357,000)
32		<u>\$22,657,000</u>
33	TOTAL APPROPRIATION	(\$351,770,000)
34		<u>\$350,895,000</u>

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

37 (a) Individuals receiving services as supplemental security income

1 (SSI) state supplemental payments shall not become eligible for medical
2 assistance under RCW 74.09.510 due solely to the receipt of SSI state
3 supplemental payments.

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

8 (c) \$721,000 of the general fund--state appropriation for fiscal
9 year 2010 and (~~(\$721,000)~~) \$800,000 of the general fund--state
10 appropriation for fiscal year 2011 are provided solely for the
11 department to fulfill its contracts with the school districts under
12 chapter 28A.190 RCW to provide transportation, building space, and
13 other support services as are reasonably necessary to support the
14 educational programs of students living in residential habilitation
15 centers. For fiscal year 2011 and within the amounts appropriated in
16 this subsection, the department shall pay for para educators and
17 behavior aides for students residing at Fircrest residential
18 habilitation center as specified in the individualized education
19 program required by the individuals with disabilities education act.

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

26 (3) PROGRAM SUPPORT

27	General Fund--State Appropriation (FY 2010)	\$1,407,000
28	General Fund--State Appropriation (FY 2011)	\$1,341,000
29	General Fund--Federal Appropriation	((\$1,263,000))
30		<u>\$1,277,000</u>
31	TOTAL APPROPRIATION	((\$4,011,000))
32		<u>\$4,025,000</u>

33 The appropriations in this subsection are subject to the following
34 conditions and limitations: In addition to other reductions, the
35 appropriations in this subsection reflect reductions targeted
36 specifically to state government administrative costs. These
37 administrative reductions shall be achieved, to the greatest extent

1 possible, by reducing those administrative costs that do not affect
2 direct client services or direct service delivery or programs.

3 (4) SPECIAL PROJECTS

4 General Fund--Federal Appropriation ((~~\$10,171,000~~))
5 \$10,157,000

6 The appropriation in this subsection is subject to the following
7 conditions and limitations: The appropriations in this subsection are
8 available solely for the infant toddler early intervention program and
9 the money follows the person program as defined by this federal grant.

10 **Sec. 1106.** 2011 c 5 s 205 (uncodified) is amended to read as
11 follows:

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

14 General Fund--State Appropriation (FY 2010) \$616,837,000
15 General Fund--State Appropriation (FY 2011) ((~~\$606,962,000~~))
16 \$654,555,000
17 General Fund--Federal Appropriation ((~~\$1,917,607,000~~))
18 \$1,915,332,000
19 General Fund--Private/Local Appropriation \$18,013,000
20 Traumatic Brain Injury Account--State Appropriation \$4,136,000
21 TOTAL APPROPRIATION ((~~\$3,163,555,000~~))
22 \$3,208,873,000

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

25 (1) For purposes of implementing chapter 74.46 RCW, the weighted
26 average nursing facility payment rate shall not exceed \$169.85 for
27 fiscal year 2010 and shall not exceed ((~~\$161.86~~)) \$166.24 for fiscal
28 year 2011, including the rate add-on described in subsection (12) of
29 this section. There will be no adjustments for economic trends and
30 conditions in fiscal years 2010 and 2011. The economic trends and
31 conditions factor or factors defined in the biennial appropriations act
32 shall not be compounded with the economic trends and conditions factor
33 or factors defined in any other biennial appropriations acts before
34 applying it to the component rate allocations established in accordance
35 with chapter 74.46 RCW. When no economic trends and conditions factor
36 for either fiscal year is defined in a biennial appropriations act, no

1 economic trends and conditions factor or factors defined in any earlier
2 biennial appropriations act shall be applied solely or compounded to
3 the component rate allocations established in accordance with chapter
4 74.46 RCW.

5 (2) After examining actual nursing facility cost information, the
6 legislature finds that the medicaid nursing facility rates calculated
7 pursuant to Substitute House Bill No. 3202 or Substitute Senate Bill
8 No. 6872 (nursing facility medicaid payments) provide sufficient
9 reimbursement to efficient and economically operating nursing
10 facilities and bears a reasonable relationship to costs.

11 (3) In accordance with chapter 74.46 RCW, the department shall
12 issue no additional certificates of capital authorization for fiscal
13 year 2010 and no new certificates of capital authorization for fiscal
14 year 2011 and shall grant no rate add-ons to payment rates for capital
15 improvements not requiring a certificate of need and a certificate of
16 capital authorization for fiscal year 2011.

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

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

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

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

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

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

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

12 (b) \$3,070,000 of the general fund--state appropriation for fiscal
13 year 2011 and \$4,980,000 of the general fund--federal appropriation are
14 provided solely for the department to partially restore the reduction
15 to in-home care that are taken in (a) of this subsection. The
16 department will use the same formula to restore personal care hours
17 that it used to reduce personal care hours.

18 (7) \$536,000 of the general fund--state appropriation for fiscal
19 year 2010, \$1,477,000 of the general fund--state appropriation for
20 fiscal year 2011, and \$2,830,000 of the general fund--federal
21 appropriation are provided solely for health care benefits pursuant to
22 a collective bargaining agreement negotiated with the exclusive
23 bargaining representative of individual providers established under RCW
24 74.39A.270.

25 (8)(a) \$1,212,000 of the general fund--state appropriation for
26 fiscal year 2010, \$2,934,000 of the general fund--state appropriation
27 for fiscal year 2011, and \$2,982,000 of the general fund--federal
28 appropriation are provided solely for the state's contribution to the
29 training partnership, as provided in RCW 74.39A.360, pursuant to a
30 collective bargaining agreement negotiated with the exclusive
31 bargaining representative of individual providers established under RCW
32 74.39A.270.

33 (b) \$330,000 of the general fund--state appropriation for fiscal
34 year 2010, \$660,000 of the general fund-state appropriation for fiscal
35 year 2011, and \$810,000 of the general fund--federal appropriation are
36 provided solely for transfer from the department to the training
37 partnership, as provided in RCW 74.39A.360, for infrastructure and
38 instructional costs associated with training of individual providers,

1 pursuant to a collective bargaining agreement negotiated with the
2 exclusive bargaining representative of individual providers established
3 under RCW 74.39A.270.

4 (c) The federal portion of the amounts in this subsection is
5 contingent upon federal approval of participation in contributions to
6 the trust and shall remain unallotted and placed in reserve status
7 until the office of financial management and the department of social
8 and health services receive federal approval.

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

11 (9) Within the amounts appropriated in this section, the department
12 may expand the new freedom waiver program to accommodate new waiver
13 recipients throughout the state. As possible, and in compliance with
14 current state and federal laws, the department shall allow current
15 waiver recipients to transfer to the new freedom waiver.

16 (10) Individuals receiving services as supplemental security income
17 (SSI) state supplemental payments shall not become eligible for medical
18 assistance under RCW 74.09.510 due solely to the receipt of SSI state
19 supplemental payments.

20 (11) \$3,955,000 of the general fund--state appropriation for fiscal
21 year 2010, \$3,972,000 of the general fund--state appropriation for
22 fiscal year 2011, and \$10,190,000 of the general fund--federal
23 appropriation are provided solely for the continued operation of
24 community residential and support services for persons who are older
25 adults or who have co-occurring medical and behavioral disorders and
26 who have been discharged or diverted from a state psychiatric hospital.
27 These funds shall be used to serve individuals whose treatment needs
28 constitute substantial barriers to community placement, who no longer
29 require active psychiatric treatment at an inpatient hospital level of
30 care, and who no longer meet the criteria for inpatient involuntary
31 commitment. Coordination of these services will be done in partnership
32 between the mental health program and the aging and disability services
33 administration.

34 (12) Within the funds provided, the department shall continue to
35 provide an add-on per medicaid resident day per facility not to exceed
36 \$1.57. The add-on shall be used to increase wages, benefits, and/or
37 staffing levels for certified nurse aides; or to increase wages and/or
38 benefits for dietary aides, housekeepers, laundry aides, or any other

1 category of worker whose statewide average dollars-per-hour wage was
2 less than \$15 in calendar year 2008, according to cost report data.
3 The add-on may also be used to address resulting wage compression for
4 related job classes immediately affected by wage increases to low-wage
5 workers. The department shall continue reporting requirements and a
6 settlement process to ensure that the funds are spent according to this
7 subsection. The department shall adopt rules to implement the terms of
8 this subsection.

9 (13) \$1,840,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$1,759,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for operation of the volunteer
12 services program. Funding shall be prioritized towards serving
13 populations traditionally served by long-term care services to include
14 senior citizens and persons with disabilities.

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

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

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

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

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

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

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

5 (17) The department shall not pay a home care agency licensed under
6 chapter 70.127 RCW for personal care services provided by a family
7 member, pursuant to Substitute House Bill No. 2361 (modifying state
8 payments for in-home care).

9 (18) \$209,000 of the general fund--state appropriation for fiscal
10 year 2010, \$732,000 of the general fund--state appropriation for fiscal
11 year 2011, and \$1,293,000 of the general fund--federal appropriation
12 are provided solely to implement Engrossed House Bill No. 2194
13 (extraordinary medical placement for offenders). The department shall
14 work in partnership with the department of corrections to identify
15 services and find placements for offenders who are released through the
16 extraordinary medical placement program. The department shall
17 collaborate with the department of corrections to identify and track
18 cost savings to the department of corrections, including medical cost
19 savings and to identify and track expenditures incurred by the aging
20 and disability services program for community services and by the
21 medical assistance program for medical expenses. A joint report
22 regarding the identified savings and expenditures shall be provided to
23 the office of financial management and the appropriate fiscal
24 committees of the legislature by November 30, 2010. If this bill is
25 not enacted by June 30, 2009, the amounts provided in this subsection
26 shall lapse.

27 (19) In accordance with RCW 18.51.050, 18.20.050, and 43.135.055,
28 the department is authorized to increase nursing facility and boarding
29 home fees in fiscal year 2011 as necessary to meet the actual costs of
30 conducting the licensure, inspection, and regulatory programs.

31 (a) \$1,035,000 of the general fund--private/local appropriation
32 assumes that the current annual renewal license fee for nursing
33 facilities shall be increased to \$327 per bed beginning in fiscal year
34 2011.

35 (b) \$1,806,000 of the general fund--local appropriation assumes
36 that the current annual renewal license fee for boarding homes shall be
37 increased to \$106 per bed beginning in fiscal year 2011.

1 (20) \$2,566,000 of the traumatic brain injury account--state
2 appropriation is provided solely to continue services for persons with
3 traumatic brain injury (TBI) as defined in RCW 74.31.020 through
4 74.31.050. The TBI advisory council shall provide a report to the
5 legislature by December 1, 2010, on the effectiveness of the functions
6 overseen by the council and shall provide recommendations on the
7 development of critical services for individuals with traumatic brain
8 injury.

9 (21) The automatic award of additional hours of personal care for
10 people with special meal preparation or incontinence needs is
11 eliminated. Authorization of service hours will be based upon the
12 individual's assessed needs.

13 (22) For calendar year 2009, the department shall calculate split
14 settlements covering two periods January 1, 2009, through June 30,
15 2009, and July 1, 2009, through December 31, 2009. For the second
16 period beginning July 1, 2009, the department may partially or totally
17 waive settlements only in specific cases where a nursing home can
18 demonstrate significant decreases in costs from the first period.

19 (23) \$72,000 of the traumatic brain injury account appropriation
20 and \$116,000 of the general fund--federal appropriation are provided
21 solely for a direct care rate add-on to any nursing facility
22 specializing in the care of residents with traumatic brain injuries
23 where more than 50 percent of residents are classified with this
24 condition based upon the federal minimum data set assessment.

25 (24) \$69,000 of the general fund--state appropriation for fiscal
26 year 2010, \$1,289,000 of the general fund--state appropriation for
27 fiscal year 2011, and \$2,050,000 of the general fund--federal
28 appropriation are provided solely for the department to maintain
29 enrollment in the adult day health services program. New enrollments
30 are authorized for up to 1,575 clients or to the extent that
31 appropriated funds are available to cover additional clients.

32 (25) \$937,000 of the general fund--state appropriation for fiscal
33 year 2011 is provided solely for the department to contract for the
34 provision of an individual provider referral registry.

35 (26) \$94,000 of the general fund--state appropriation for fiscal
36 year 2011 and \$100,000 of the general fund--federal appropriation are
37 provided solely for the department to contract with a consultant to
38 evaluate and make recommendations on a pay-for- performance payment

1 subsidy system. The department shall organize one workgroup meeting
2 with the consultant where nursing home stakeholders may provide input
3 on pay-for-performance ideas. The consultant shall review pay-for-
4 performance strategies used in other states to sustain and enhance
5 quality-improvement efforts in nursing facilities. The evaluation
6 shall include a review of the centers for medicare and medicaid
7 services demonstration project to explore the feasibility of pay-for-
8 performance systems in medicare certified nursing facilities. The
9 consultant shall develop a report to include:

10 (a) Best practices used in other states for pay-for-performance
11 strategies incorporated into medicaid nursing home payment systems;

12 (b) The relevance of existing research to Washington state;

13 (c) A summary and review of suggestions for pay-for-performance
14 strategies provided by nursing home stakeholders in Washington state;
15 and

16 (d) An evaluation of the effectiveness of a variety of performance
17 measures.

18 (27) \$4,100,000 of the general fund--state appropriation for fiscal
19 year 2010, \$4,174,000 of the general fund--state appropriation for
20 fiscal year 2011, and \$8,124,000 of the general fund--federal
21 appropriation are provided for the operation of the management services
22 division of the aging and disability services administration. This
23 includes but is not limited to the budget, contracts, accounting,
24 decision support, information technology, and rate development
25 activities for programs administered by the aging and disability
26 services administration. Nothing in this subsection is intended to
27 exempt the management services division of the aging and disability
28 services administration from reductions directed by the secretary.
29 However, funds provided in this subsection shall not be transferred
30 elsewhere within the department nor used for any other purpose.

31 (28) The department is authorized to place long-term care clients
32 residing in nursing homes and paid for with state only funds into less
33 restrictive community care settings while continuing to meet the
34 client's care needs.

35 (29) In accordance with RCW 43.135.055, the department is
36 authorized to adopt and increase the fees set forth in and previously
37 authorized in section 206(19), chapter 37, Laws of 2010 1st sp.s.

1 (~~(e)~~) (b) Submit a report electronically by October 1, 2009, to
2 the fiscal committees of the legislature containing a spending plan for
3 the WorkFirst program. The plan shall identify how spending levels in
4 the 2009-2011 biennium will be adjusted to stay within available
5 federal grant levels and the appropriated state-fund levels;

6 (~~(d)~~) (c) Provide quarterly fiscal reports to the office of
7 financial management and the legislative fiscal committees detailing
8 information on the amount expended from general fund--state and general
9 fund--federal by activity.

10 (2) The department may establish a career services work transition
11 program.

12 (3) The department and the office of financial management shall
13 electronically report quarterly the expenditures, maintenance of effort
14 allotments, expenditure amounts, and caseloads for the WorkFirst
15 program to the legislative fiscal committees.

16 (~~(3)~~) (4) \$16,783,000 of the general fund--state appropriation
17 for fiscal year 2011 and (~~(\$62,000,000)~~) \$19,027,000 of the general
18 fund--federal appropriation are provided solely for all components of
19 the WorkFirst program in order to maintain services to January 2011.
20 The legislature intends to work with the governor to design and
21 implement fiscal and programmatic modifications to provide for the
22 sustainability of the program. The funding in this subsection assumes
23 that no other expenditure reductions will be made prior to January 2011
24 other than those assumed in the appropriation levels in this act.

25 (~~(4)~~) (5) \$94,322,000 of the general fund--state appropriation
26 for fiscal year 2010 and (~~(\$76,979,000)~~) \$94,104,000 of the general
27 fund--state appropriation for fiscal year 2011, net of recoveries, are
28 provided solely for cash assistance and other services to recipients in
29 the cash program pursuant to chapter 8, Laws of 2010 1st sp. sess.
30 (security lifeline act), including persons in the unemployable,
31 expedited, and aged, blind, and disabled components of the program. It
32 is the intent of the legislature that the lifeline incapacity
33 determination and progressive evaluation process regulations be
34 carefully designed to accurately identify those persons who have been
35 or will be incapacitated for at least ninety days. The incapacity
36 determination and progressive evaluation process regulations in effect
37 on January 1, 2010, cannot be amended until at least September 30,
38 2010; except that provisions related to the use of administrative

1 review teams may be amended, and obsolete terminology and functional
2 assessment language may be updated on or after July 1, 2010, in a
3 manner that only minimally impacts the outcome of incapacity
4 evaluations. After September 30, 2010, the incapacity determination
5 and progressive evaluation process regulations may be amended only if
6 the reports under (a) and (b) of this subsection have been submitted,
7 and find that expenditures will exceed the appropriated level by three
8 percent or more.

9 (a) The department and the caseload forecast council shall, by
10 September 21, 2010, submit a report to the legislature based upon the
11 most recent caseload forecast and actual expenditure data available, as
12 to whether expenditures for the lifeline-unemployable grants in fiscal
13 year 2011 will exceed \$69,648,000 for fiscal year 2011 in the 2010
14 supplemental operating budget by three percent or more. If
15 expenditures will exceed the appropriated amount for
16 lifeline-unemployable grants by three percent or more, the department
17 may adopt regulations modifying incapacity determination and
18 progressive evaluation process regulations after September 30, 2010.

19 (b) On or before September 21, 2010, the department shall submit a
20 report to the relevant policy and fiscal committees of the legislature
21 that includes the following information regarding any regulations
22 proposed for adoption that would modify the lifeline incapacity
23 determination and progressive evaluation process:

24 (i) A copy of the proposed changes and a concise description of the
25 changes;

26 (ii) A description of the persons who would likely be affected by
27 adoption of the regulations, including their impairments, age,
28 education, and work history;

29 (iii) An estimate of the number of persons who, on a monthly basis
30 through June 2013, would be denied lifeline benefits if the regulations
31 were adopted, expressed as a number, as a percentage of total
32 applicants, and as a percentage of the number of persons granted
33 lifeline benefits in each month;

34 (iv) An estimate of the number of persons who, on a monthly basis
35 through June 2013, would have their lifeline benefits terminated
36 following an eligibility review if the regulations were adopted,
37 expressed as a number, as a percentage of the number of persons who

1 have had an eligibility review in each month, and as a percentage of
2 the total number of persons currently receiving lifeline-unemployable
3 benefits in each month; and

4 (v) Intended improvements in employment or treatment outcomes among
5 persons receiving lifeline benefits that could be attributable to the
6 changes in the regulations.

7 (c) Within these amounts:

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

16 (ii) The department shall review the lifeline caseload to identify
17 recipients that would benefit from assistance in becoming naturalized
18 citizens, and thus be eligible to receive federal supplemental security
19 income benefits. Those cases shall be given high priority for
20 naturalization funding through the department;

21 (iii) The department shall actively coordinate with local workforce
22 development councils to expedite access to worker retraining programs
23 for lifeline clients in those regions of the state with the greatest
24 number of such clients;

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

32 (v) In addition to any earlier evaluation that may have been
33 conducted, the department shall intensively evaluate those clients who
34 have been receiving lifeline benefits for twelve months or more as of
35 July 1, 2009, or thereafter, if the available medical and incapacity
36 related evidence indicates that the client is unlikely to meet the
37 disability standard for federal supplemental security income benefits.
38 The evaluation shall identify services necessary to eliminate or

1 minimize barriers to employment, including mental health treatment,
2 substance abuse treatment and vocational rehabilitation services. The
3 department shall expedite referrals to chemical dependency treatment,
4 mental health and vocational rehabilitation services for these clients.

5 (vi) The appropriations in this subsection reflect a change in the
6 earned income disregard policy for lifeline clients. It is the intent
7 of the legislature that the department shall adopt the temporary
8 assistance for needy families earned income policy for the lifeline
9 program.

10 ~~((+5))~~ (6) \$750,000 of the general fund--state appropriation for
11 fiscal year 2010 and \$500,000 of the general fund--state appropriation
12 for fiscal year 2011 are provided solely for naturalization services.

13 ~~((+6))~~ (7) \$3,550,000 of the general fund--state appropriation for
14 fiscal year 2010 is provided solely for refugee employment services, of
15 which \$2,650,000 is provided solely for the department to pass through
16 to statewide refugee assistance organizations for limited English
17 proficiency pathway services; and \$2,050,000 of the general fund--state
18 appropriation for fiscal year 2011 is provided solely for refugee
19 employment services, of which \$1,540,000 is provided solely for the
20 department to pass through to statewide refugee assistance
21 organizations for limited English proficiency pathway services.

22 ~~((+7))~~ (8) The appropriations in this section reflect reductions
23 in the appropriations for the economic services administration's
24 administrative expenses. It is the intent of the legislature that
25 these reductions shall be achieved, to the greatest extent possible, by
26 reducing those administrative costs that do not affect direct client
27 services or direct service delivery or program.

28 ~~((+8))~~ (9) \$855,000 of the general fund--state appropriation for
29 fiscal year 2011, \$719,000 of the general fund--federal appropriation,
30 and \$2,907,000 of the general fund--private/local appropriation are
31 provided solely for the implementation of the opportunity portal, the
32 food stamp employment and training program, and the disability lifeline
33 program under Second Substitute House Bill No. 2782 (security lifeline
34 act). If the bill is not enacted by June 30, 2010, the amounts
35 provided in this subsection shall lapse.

36 ~~((+9))~~ (10) \$100,000 of the general fund--state appropriation for
37 fiscal year 2011 is provided solely for the department to award grants
38 to small mutual assistance or small community-based organizations that

1 contract with the department for immigrant and refugee assistance
2 services. The funds shall be awarded to provide funding for community
3 groups to provide transitional assistance, language skills, and other
4 resources to improve refugees' economic self-sufficiency through the
5 effective use of social services, financial services, and medical
6 assistance.

7 ~~((+10))~~ (11) To ensure expenditures remain within available funds
8 appropriated in this section, the legislature establishes the benefit
9 under the state food assistance program, made pursuant to RCW
10 74.08A.120, to be fifty percent of the federal supplemental nutrition
11 assistance program benefit amount.

12 **Sec. 1108.** 2011 c 5 s 207 (uncodified) is amended to read as
13 follows:

14 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
15 **SUBSTANCE ABUSE PROGRAM**

16	General Fund--State Appropriation (FY 2010)	\$81,982,000
17	General Fund--State Appropriation (FY 2011)	(\$77,065,000)
18		<u>\$77,818,000</u>
19	General Fund--Federal Appropriation	(\$151,574,000)
20		<u>\$152,619,000</u>
21	General Fund--Private/Local Appropriation	\$2,718,000
22	Criminal Justice Treatment Account--State	
23	Appropriation	\$17,743,000
24	Problem Gambling Account--State Appropriation	\$1,456,000
25	TOTAL APPROPRIATION	(\$332,538,000)
26		<u>\$334,336,000</u>

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

29 (1) Within the amounts appropriated in this section, the department
30 may contract with the University of Washington and community-based
31 providers for the provision of the parent-child assistance program.
32 For all contractors, indirect charges for administering the program
33 shall not exceed ten percent of the total contract amount.

34 (2) Within the amounts appropriated in this section, the department
35 shall continue to provide for chemical dependency treatment services
36 for adult medicaid eligible and general assistance-unemployable
37 patients.

1 (3) In addition to other reductions, the appropriations in this
 2 section reflect reductions targeted specifically to state government
 3 administrative costs. These administrative reductions shall be
 4 achieved, to the greatest extent possible, by reducing those
 5 administrative costs that do not affect direct client services or
 6 direct service delivery or programs.

7 (4) Funding is provided for the implementation of the lifeline
 8 program under Second Substitute House Bill No. 2782 (security lifeline
 9 act). If the bill is not enacted by June 30, 2010, the amount provided
 10 in this subsection shall lapse.

11 (5) \$3,500,000 of the general fund--federal appropriation (from the
 12 substance abuse prevention and treatment federal block grant) is
 13 provided solely for the continued funding of existing county drug and
 14 alcohol use prevention programs.

15 **Sec. 1109.** 2011 c 5 s 208 (uncodified) is amended to read as
 16 follows:

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

19	General Fund--State Appropriation (FY 2010)	\$1,697,203,000
20	General Fund--State Appropriation (FY 2011)	((\$1,737,303,000))
21		<u>\$1,814,985,000</u>
22	General Fund--Federal Appropriation	((\$6,047,405,000))
23		<u>\$5,903,131,000</u>
24	General Fund--Private/Local Appropriation	((\$38,509,000))
25		<u>\$37,247,000</u>
26	Emergency Medical Services and Trauma Care Systems	
27	Trust Account--State Appropriation	\$15,075,000
28	Tobacco Prevention and Control Account--	
29	State Appropriation	((\$4,464,000))
30		<u>\$3,798,000</u>
31	Hospital Safety Net Assessment Fund--State	
32	Appropriation	((\$260,057,000))
33		<u>\$254,974,000</u>
34	TOTAL APPROPRIATION	((\$9,800,016,000))
35		<u>\$9,726,413,000</u>

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

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

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

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

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

18 (5) (~~In accordance with RCW 74.46.625,~~) \$6,000,000 of the general
19 fund--federal appropriation is provided solely for supplemental
20 payments to nursing homes operated by public hospital districts. The
21 public hospital district shall be responsible for providing the
22 required nonfederal match for the supplemental payment, and the
23 payments shall not exceed the maximum allowable under federal rules.
24 It is the legislature's intent that the payments shall be supplemental
25 to and shall not in any way offset or reduce the payments calculated
26 and provided in accordance with part E of chapter 74.46 RCW. It is the
27 legislature's further intent that costs otherwise allowable for
28 rate-setting and settlement against payments under chapter 74.46 RCW
29 shall not be disallowed solely because such costs have been paid by
30 revenues retained by the nursing home from these supplemental payments.
31 The supplemental payments are subject to retrospective interim and
32 final cost settlements based on the nursing homes' as-filed and final
33 medicare cost reports. The timing of the interim and final cost
34 settlements shall be at the department's discretion. During either the
35 interim cost settlement or the final cost settlement, the department
36 shall recoup from the public hospital districts the supplemental
37 payments that exceed the medicaid cost limit and/or the medicare upper

1 payment limit. The department shall apply federal rules for
2 identifying the eligible incurred medicaid costs and the medicare upper
3 payment limit.

4 (6) \$649,000 of the general fund--federal appropriation and
5 \$644,000 of the general fund--state appropriation for fiscal year 2011
6 are provided solely for grants to rural hospitals. The department
7 shall distribute the funds under a formula that provides a relatively
8 larger share of the available funding to hospitals that (a) serve a
9 disproportionate share of low-income and medically indigent patients,
10 and (b) have relatively smaller net financial margins, to the extent
11 allowed by the federal medicaid program.

12 (7) \$5,729,000 of the general fund--state appropriation for fiscal
13 year 2011, and \$5,776,000 of the general fund--federal appropriation
14 are provided solely for grants to nonrural hospitals. The department
15 shall distribute the funds under a formula that provides a relatively
16 larger share of the available funding to hospitals that (a) serve a
17 disproportionate share of low-income and medically indigent patients,
18 and (b) have relatively smaller net financial margins, to the extent
19 allowed by the federal medicaid program.

20 (8) The department shall continue the inpatient hospital certified
21 public expenditures program for the 2009-11 biennium. The program
22 shall apply to all public hospitals, including those owned or operated
23 by the state, except those classified as critical access hospitals or
24 state psychiatric institutions. The department shall submit reports to
25 the governor and legislature by November 1, 2009, and by November 1,
26 2010, that evaluate whether savings continue to exceed costs for this
27 program. If the certified public expenditures (CPE) program in its
28 current form is no longer cost-effective to maintain, the department
29 shall submit a report to the governor and legislature detailing
30 cost-effective alternative uses of local, state, and federal resources
31 as a replacement for this program. During fiscal year 2010 and fiscal
32 year 2011, hospitals in the program shall be paid and shall retain one
33 hundred percent of the federal portion of the allowable hospital cost
34 for each medicaid inpatient fee-for-service claim payable by medical
35 assistance and one hundred percent of the federal portion of the
36 maximum disproportionate share hospital payment allowable under federal
37 regulations. Inpatient medicaid payments shall be established using an
38 allowable methodology that approximates the cost of claims submitted by

1 the hospitals. Payments made to each hospital in the program in each
2 fiscal year of the biennium shall be compared to a baseline amount.
3 The baseline amount will be determined by the total of (a) the
4 inpatient claim payment amounts that would have been paid during the
5 fiscal year had the hospital not been in the CPE program based on the
6 reimbursement rates developed, implemented, and consistent with
7 policies approved in the 2009-11 biennial operating appropriations act
8 (chapter 564, Laws of 2009) and in effect on July 1, 2009, (b) one half
9 of the indigent assistance disproportionate share hospital payment
10 amounts paid to and retained by each hospital during fiscal year 2005,
11 and (c) all of the other disproportionate share hospital payment
12 amounts paid to and retained by each hospital during fiscal year 2005
13 to the extent the same disproportionate share hospital programs exist
14 in the 2009-11 biennium. If payments during the fiscal year exceed the
15 hospital's baseline amount, no additional payments will be made to the
16 hospital except the federal portion of allowable disproportionate share
17 hospital payments for which the hospital can certify allowable match.
18 If payments during the fiscal year are less than the baseline amount,
19 the hospital will be paid a state grant equal to the difference between
20 payments during the fiscal year and the applicable baseline amount.
21 Payment of the state grant shall be made in the applicable fiscal year
22 and distributed in monthly payments. The grants will be recalculated
23 and redistributed as the baseline is updated during the fiscal year.
24 The grant payments are subject to an interim settlement within eleven
25 months after the end of the fiscal year. A final settlement shall be
26 performed. To the extent that either settlement determines that a
27 hospital has received funds in excess of what it would have received as
28 described in this subsection, the hospital must repay the excess
29 amounts to the state when requested. \$20,403,000 of the general
30 fund--state appropriation for fiscal year 2010, of which \$6,570,000 is
31 appropriated in section ((204(1))) 1104(1) of this act, and
32 ((\$29,480,000)) \$15,113,000 of the general fund--state appropriation
33 for fiscal year 2011, of which \$6,570,000 is appropriated in section
34 ((204(1))) 1104(1) of this act, are provided solely for state grants
35 for the participating hospitals. CPE hospitals will receive the
36 inpatient and outpatient reimbursement rate restorations in section 9
37 and rate increases in section 10(1)(b) of Engrossed Second Substitute

1 House Bill No. 2956 (hospital safety net assessment) funded through the
2 hospital safety net assessment fund rather than through the baseline
3 mechanism specified in this subsection.

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

7 (10) \$93,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$93,000 of the general fund--federal appropriation are
9 provided solely for the department to pursue a federal Medicaid waiver
10 pursuant to Second Substitute Senate Bill No. 5945 (Washington health
11 partnership plan). If the bill is not enacted by June 30, 2009, the
12 amounts provided in this subsection shall lapse.

13 (11) The department shall require managed health care systems that
14 have contracts with the department to serve medical assistance clients
15 to limit any reimbursements or payments the systems make to providers
16 not employed by or under contract with the systems to no more than the
17 medical assistance rates paid by the department to providers for
18 comparable services rendered to clients in the fee-for-service delivery
19 system.

20 (12) A maximum of (~~(\$241,141,000)~~) \$247,809,000 in total funds from
21 the general fund--state, general fund--federal, and tobacco and
22 prevention control account--state appropriations may be expended in the
23 fiscal biennium for the medical program pursuant to chapter 8, Laws of
24 2010 1st sp. sess. (security lifeline act), and these amounts are
25 provided solely for this program. Of these amounts, \$10,749,000 of the
26 general fund--state appropriation for fiscal year 2010 and \$10,892,000
27 of the general fund--federal appropriation are provided solely for
28 payments to hospitals for providing outpatient services to low income
29 patients who are recipients of lifeline benefits. Pursuant to RCW
30 74.09.035, the department shall not expend for the lifeline medical
31 care services program any amounts in excess of the amounts provided in
32 this subsection.

33 (13) Mental health services shall be included in the services
34 provided through the managed care system for lifeline clients under
35 chapter 8, Laws of 2010 1st sp. sess. In transitioning lifeline
36 clients to managed care, the department shall attempt to deliver care
37 to lifeline clients through medical homes in community and migrant
38 health centers. The department, in collaboration with the carrier,

1 shall seek to improve the transition rate of lifeline clients to the
2 federal supplemental security income program. The department shall
3 renegotiate the contract with the managed care plan that provides
4 services for lifeline clients to maximize state retention of future
5 hospital savings as a result of improved care coordination. The
6 department, in collaboration with stakeholders, shall propose a new
7 name for the lifeline program.

8 (14) The department shall evaluate the impact of the use of a
9 managed care delivery and financing system on state costs and outcomes
10 for lifeline medical clients. Outcomes measured shall include state
11 costs, utilization, changes in mental health status and symptoms, and
12 involvement in the criminal justice system.

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

17 (16) State funds shall not be used by hospitals for advertising
18 purposes.

19 (17) \$24,356,000 of the general fund--private/local appropriation
20 and \$35,707,000 of the general fund--federal appropriation are provided
21 solely for the implementation of professional services supplemental
22 payment programs. The department shall seek a medicaid state plan
23 amendment to create a professional services supplemental payment
24 program for University of Washington medicine professional providers no
25 later than July 1, 2009. The department shall apply federal rules for
26 identifying the shortfall between current fee-for-service medicaid
27 payments to participating providers and the applicable federal upper
28 payment limit. Participating providers shall be solely responsible for
29 providing the local funds required to obtain federal matching funds.
30 Any incremental costs incurred by the department in the development,
31 implementation, and maintenance of this program will be the
32 responsibility of the participating providers. Participating providers
33 will retain the full amount of supplemental payments provided under
34 this program, net of any potential costs for any related audits or
35 litigation brought against the state. The department shall report to
36 the governor and the legislative fiscal committees on the prospects for
37 expansion of the program to other qualifying providers as soon as
38 feasibility is determined but no later than December 31, 2009. The

1 report will outline estimated impacts on the participating providers,
2 the procedures necessary to comply with federal guidelines, and the
3 administrative resource requirements necessary to implement the
4 program. The department will create a process for expansion of the
5 program to other qualifying providers as soon as it is determined
6 feasible by both the department and providers but no later than June
7 30, 2010.

8 (18) \$9,075,000 of the general fund--state appropriation for fiscal
9 year 2010, \$8,588,000 of the general fund--state appropriation for
10 fiscal year 2011, and \$39,747,000 of the general fund--federal
11 appropriation are provided solely for development and implementation of
12 a replacement system for the existing medicaid management information
13 system. The amounts provided in this subsection are conditioned on the
14 department satisfying the requirements of section 902 of this act.

15 (19) \$506,000 of the general fund--state appropriation for fiscal
16 year 2011 and \$657,000 of the general fund--federal appropriation are
17 provided solely for the implementation of Second Substitute House Bill
18 No. 1373 (children's mental health). If the bill is not enacted by
19 June 30, 2009, the amounts provided in this subsection shall lapse.

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

25 (21) The department may, on a case-by-case basis and in the best
26 interests of the child, set payment rates for medically intensive home
27 care services to promote access to home care as an alternative to
28 hospitalization. Expenditures related to these increased payments
29 shall not exceed the amount the department would otherwise pay for
30 hospitalization for the child receiving medically intensive home care
31 services.

32 (22) \$425,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$790,000 of the general fund--federal appropriation are
34 provided solely to continue children's health coverage outreach and
35 education efforts under RCW 74.09.470. These efforts shall rely on
36 existing relationships and systems developed with local public health
37 agencies, health care providers, public schools, the women, infants,
38 and children program, the early childhood education and assistance

1 program, child care providers, newborn visiting nurses, and other
2 community-based organizations. The department shall seek
3 public-private partnerships and federal funds that are or may become
4 available to provide on-going support for outreach and education
5 efforts under the federal children's health insurance program
6 reauthorization act of 2009.

7 (23) The department, in conjunction with the office of financial
8 management, shall implement a prorated inpatient payment policy.

9 (24) The department will pursue a competitive procurement process
10 for antihemophilic products, emphasizing evidence-based medicine and
11 protection of patient access without significant disruption in
12 treatment.

13 (25) The department will pursue several strategies towards reducing
14 pharmacy expenditures including but not limited to increasing generic
15 prescription drug utilization by 20 percentage points and promoting
16 increased utilization of the existing mail-order pharmacy program.

17 (26) The department shall reduce reimbursement for over-the-counter
18 medications while maintaining reimbursement for those over-the-counter
19 medications that can replace more costly prescription medications.

20 (27) The department shall seek public-private partnerships and
21 federal funds that are or may become available to implement health
22 information technology projects under the federal American recovery and
23 reinvestment act of 2009.

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

35 (29) \$260,036,000 of the hospital safety net assessment fund--state
36 appropriation and \$255,448,000 of the general fund--federal
37 appropriation are provided solely for the implementation of Engrossed

1 Second Substitute House Bill No. 2956 (hospital safety net assessment).
2 If the bill is not enacted by June 30, 2010, the amounts provided in
3 this subsection shall lapse.

4 (30) \$79,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$53,000 of the general fund--federal appropriation are
6 provided solely to implement Substitute House Bill No. 1845 (medical
7 support obligations).

8 (31) \$63,000 of the general fund--state appropriation for fiscal
9 year 2010, \$583,000 of the general fund--state appropriation for fiscal
10 year 2011, and \$864,000 of the general fund--federal appropriation are
11 provided solely to implement Engrossed House Bill No. 2194
12 (extraordinary medical placement for offenders). The department shall
13 work in partnership with the department of corrections to identify
14 services and find placements for offenders who are released through the
15 extraordinary medical placement program. The department shall
16 collaborate with the department of corrections to identify and track
17 cost savings to the department of corrections, including medical cost
18 savings, and to identify and track expenditures incurred by the aging
19 and disability services program for community services and by the
20 medical assistance program for medical expenses. A joint report
21 regarding the identified savings and expenditures shall be provided to
22 the office of financial management and the appropriate fiscal
23 committees of the legislature by November 30, 2010. If this bill is
24 not enacted by June 30, 2009, the amounts provided in this subsection
25 shall lapse.

26 (32) \$73,000 of the general fund--state appropriation for fiscal
27 year 2011 and \$50,000 of the general fund--federal appropriation is
28 provided solely for supplemental services that will be provided to
29 offenders in lieu of a prison sentence pursuant to chapter 224, Laws of
30 2010 (Substitute Senate Bill No. 6639).

31 (33) Sufficient amounts are provided in this section to provide
32 full benefit dual eligible beneficiaries with medicare part D
33 prescription drug copayment coverage in accordance with RCW 74.09.520
34 until December 31, 2010.

35 (34) In addition to other reductions, the appropriations in this
36 section reflect reductions targeted specifically to state government
37 administrative costs. These administrative reductions shall be

1 achieved, to the greatest extent possible, by reducing those
2 administrative costs that do not affect providers, direct client
3 services, or direct service delivery or programs.

4 (35) \$331,000 of the general fund--state appropriation for fiscal
5 year 2010, \$331,000 of the general fund--state appropriation for fiscal
6 year 2011, and \$1,228,000 of the general fund--federal appropriation
7 are provided solely for the department to support the activities of the
8 Washington poison center. The department shall seek federal authority
9 to receive matching funds from the federal government through the
10 children's health insurance program.

11 (36) \$528,000 of the general fund--state appropriation and
12 \$2,955,000 of the general fund--federal appropriation are provided
13 solely for the implementation of the lifeline program under chapter 8,
14 Laws of 2010 1st sp. sess. (security lifeline act).

15 (37) Reductions in dental services are to be achieved by focusing
16 on the fastest growing areas of dental care. Reductions in
17 preventative care, particularly for children, will be avoided to the
18 extent possible.

19 (38) \$1,307,000 of the general fund--state appropriation for fiscal
20 year 2011 and \$1,770,000 of the general fund--federal appropriation are
21 provided solely to continue to provide dental services in calendar year
22 2011 for qualifying adults with developmental disabilities. Services
23 shall include preventive, routine, and emergent dental care, and
24 support for continued operation of the dental education in care of
25 persons with disabilities (DECOD) program at the University of
26 Washington.

27 (39) The department shall develop the capability to implement apple
28 health for kids express lane eligibility enrollments for children
29 receiving basic food assistance by June 30, 2011.

30 (40)(a) The department, in coordination with the health care
31 authority, shall actively continue to negotiate a medicaid section 1115
32 waiver with the federal centers for medicare and medicaid services that
33 would provide federal matching funds for services provided to persons
34 enrolled in the basic health plan under chapter 70.47 RCW and the
35 medical care services program under RCW 74.09.035.

36 (b) If the waiver in (a) of this subsection is granted, the
37 department and the health care authority may implement the waiver if it
38 allows the program to remain within appropriated levels, after

1 providing notice of its terms and conditions to the relevant policy and
2 fiscal committees of the legislature in writing thirty days prior to
3 the planned implementation date of the waiver.

4 (41) \$704,000 of the general fund--state appropriation for fiscal
5 year 2010, \$812,000 of the general fund--state appropriation for fiscal
6 year 2011, and \$1,516,000 of the general fund--federal appropriation
7 are provided solely for maintaining employer-sponsored insurance
8 program staff, coordination of benefits unit staff, the payment
9 integrity audit team, and family planning nursing.

10 (42) Every effort shall be made to maintain current employment
11 levels and achieve administrative savings through vacancies and
12 employee attrition. Efficiencies shall be implemented as soon as
13 possible in order to minimize actual reduction in force. The
14 department shall implement a management strategy that minimizes
15 disruption of service and negative impacts on employees.

16 (43) \$1,199,000 of the general fund--private/local appropriation
17 for fiscal year 2011 and \$1,671,000 of the general fund--federal
18 appropriation are provided solely to support medical airlift services.

19 (44) \$5,000,000 of the general fund--state appropriation for fiscal
20 year 2011 and \$7,191,000 of the general fund--federal appropriation are
21 provided solely for payments to federally qualified health clinics and
22 rural health centers under a new alternative payment methodology that
23 ~~((the department shall develop in consultation with the legislature and~~
24 ~~the office of financial management))~~ reimburses the clinics and centers
25 at rates that are five percent higher than the rates that would be
26 provided under the federal prospective payment system.

27 (45) \$33,000 of the general fund--state appropriation for fiscal
28 year 2011 and \$61,000 of the general fund--federal appropriation are
29 provided solely to continue operation by a nonprofit organization of a
30 toll-free line that assists families to learn about and enroll in apple
31 health for kids, which provides publicly funded medical and dental care
32 for families with incomes below 300 percent of the federal poverty
33 level.

34 (46) \$150,000 of the general fund--state appropriation for fiscal
35 year 2011 and \$150,000 of the general fund-- federal appropriation are
36 provided solely for initiation of a prescriptive practices improvement
37 collaborative focusing upon atypical antipsychotics and other
38 medications commonly used in the treatment of severe and persistent

1 mental illnesses among adults. The project shall promote collaboration
2 among community mental health centers, other major prescribers of
3 atypical antipsychotic medications to adults enrolled in state medical
4 assistance programs, and psychiatrists, pharmacists, and other
5 specialists at the University of Washington department of psychiatry
6 and/or other research universities. The collaboration shall include
7 patient-specific prescriber consultations by psychiatrists and
8 pharmacists specializing in treatment of severe and persistent mental
9 illnesses among adults; production of profiles to assist prescribers
10 and clinics track their prescriptive practices and their patients'
11 medication use and adherence relative to evidence-based practice
12 guidelines, other prescribers, and patients at other clinics; and
13 in-service seminars at which participants can share and increase their
14 knowledge of evidence-based and other effective prescriptive practices.

15 (47) \$75,000 of the general fund--state appropriation for fiscal
16 year 2011 and \$75,000 of the general fund--federal appropriation are
17 provided solely to assist with development and implementation of
18 evidence-based strategies regarding the appropriate, safe, and
19 effective role of C-section surgeries and early induced labor in births
20 and neonatal care. The strategies shall be identified and implemented
21 in consultation with clinical research specialists, physicians,
22 hospitals, advanced registered nurse practitioners, and organizations
23 concerned with maternal and child health.

24 (48) \$700,000 of the general fund--state appropriation for fiscal
25 year 2011 and \$700,000 of the general fund--federal appropriation are
26 provided solely to pay federally designated rural health clinics their
27 full encounter rate for prenatal and well-child visits, whether
28 delivered under a managed care contract or fee-for-service, effective
29 January 1, 2011. In reconciling managed care enhancement payments for
30 calendar year 2009, the department shall treat well-child and prenatal
31 care visits as encounters subject to the clinic's encounter rate.

32 **Sec. 1110.** 2011 c 5 s 209 (uncodified) is amended to read as
33 follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
35 **REHABILITATION PROGRAM**

36	General Fund--State Appropriation (FY 2010)	\$10,327,000
37	General Fund--State Appropriation (FY 2011)	((\$9,443,000))

1		<u>\$9,438,000</u>
2	General Fund--Federal Appropriation	\$107,848,000
3	Telecommunications Devices for the Hearing and	
4	Speech Impaired--State Appropriation	\$6,056,000
5	TOTAL APPROPRIATION	((\$133,674,000))
6		<u>\$133,669,000</u>

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

9 (1) The vocational rehabilitation program shall coordinate closely
10 with the economic services program to serve lifeline clients under
11 chapter 8, Laws of 2010 1st sp. sess. who are referred for eligibility
12 determination and vocational rehabilitation services, and shall make
13 every effort, within the requirements of the federal rehabilitation act
14 of 1973, to serve these clients.

15 (2) \$80,000 of the telecommunications devices for the hearing and
16 speech impaired account--state appropriation is provided solely for the
17 office of deaf and hard of hearing to enter into an interagency
18 agreement with the department of services for the blind to support
19 contracts for services that provide employment support and help with
20 life activities for deaf-blind individuals in King county.

21 **Sec. 1111.** 2011 c 5 s 210 (uncodified) is amended to read as
22 follows:

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

25	General Fund--State Appropriation (FY 2010)	\$48,827,000
26	General Fund--State Appropriation (FY 2011)	((\$48,536,000))
27		<u>\$49,131,000</u>
28	TOTAL APPROPRIATION	((\$97,363,000))
29		<u>\$97,958,000</u>

30 **Sec. 1112.** 2011 c 5 s 211 (uncodified) is amended to read as
31 follows:

32 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
33 **SUPPORTING SERVICES PROGRAM**

34	General Fund--State Appropriation (FY 2010)	\$33,579,000
35	General Fund--State Appropriation (FY 2011)	((\$27,745,000))
36		<u>\$25,308,000</u>

1	General Fund--Federal Appropriation	((\$51,304,000))
2		<u>\$49,594,000</u>
3	General Fund--Private/Local Appropriation	\$1,121,000
4	Institutional Impact Account--State Appropriation	\$22,000
5	TOTAL APPROPRIATION	((\$113,771,000))
6		<u>\$109,624,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations: In addition to other reductions, the
9 appropriations in this section reflect reductions targeted specifically
10 to state government administrative costs. These administrative
11 reductions shall be achieved, to the greatest extent possible, by
12 reducing those administrative costs that do not affect direct client
13 services or direct service delivery or programs.

14 (1) \$333,000 of the general fund--state appropriation for fiscal
15 year 2010 and ((~~\$300,000~~)) \$281,000 of the general fund--state
16 appropriation for fiscal year 2011 are provided solely for the
17 Washington state mentors program to continue its public-private
18 partnerships to provide technical assistance and training to mentoring
19 programs that serve at-risk youth.

20 (2) \$445,000 of the general fund--state appropriation for fiscal
21 year 2010 and ((~~\$445,000~~)) \$417,000 of the general fund--state
22 appropriation for fiscal year 2011 are provided solely for funding of
23 the teamchild project through the governor's juvenile justice advisory
24 committee.

25 (3) \$178,000 of the general fund--state appropriation for fiscal
26 year 2010 and ((~~\$178,000~~)) \$167,000 of the general fund--state
27 appropriation for fiscal year 2011 are provided solely for the juvenile
28 detention alternatives initiative.

29 (4) Amounts appropriated in this section reflect a reduction to the
30 family policy council. The family policy council shall reevaluate
31 staffing levels and administrative costs to ensure to the extent
32 possible a maximum ratio of grant moneys provided and administrative
33 costs.

34 (5) Amounts appropriated in this section reflect a reduction to the
35 council on children and families. The council on children and families
36 shall reevaluate staffing levels and administrative costs to ensure to
37 the extent possible a maximum ratio of grant moneys provided and
38 administrative costs.

1 the minimum premium amount charged to enrollees with incomes below
2 sixty-five percent of the federal poverty level.

3 (2) The health care authority shall require organizations and
4 individuals that are paid to deliver basic health plan services and
5 that choose to sponsor enrollment in the subsidized basic health plan
6 to pay 133 percent of the premium amount which would otherwise be due
7 from the sponsored enrollees.

8 (3) The administrator shall take at least the following actions to
9 assure that persons participating in the basic health plan are eligible
10 for the level of assistance they receive: (a) Require submission of
11 (i) income tax returns, and recent pay history, from all applicants, or
12 (ii) other verifiable evidence of earned and unearned income from those
13 persons not required to file income tax returns; (b) check employment
14 security payroll records at least once every twelve months on all
15 enrollees; (c) require enrollees whose income as indicated by payroll
16 records exceeds that upon which their subsidy is based to document
17 their current income as a condition of continued eligibility; (d)
18 require enrollees for whom employment security payroll records cannot
19 be obtained to document their current income at least once every six
20 months; (e) not reduce gross family income for self-employed persons by
21 noncash-flow expenses such as, but not limited to, depreciation,
22 amortization, and home office deductions, as defined by the United
23 States internal revenue service; and (f) pursue repayment and civil
24 penalties from persons who have received excessive subsidies, as
25 provided in RCW 70.47.060(9).

26 (4)(a) In order to maximize the funding appropriated for the basic
27 health plan, the health care authority is directed to make
28 modifications that will reduce the total number of subsidized enrollees
29 to approximately 65,000 by January 1, 2010. In addition to the reduced
30 enrollment, other modifications may include changes in enrollee premium
31 obligations, changes in benefits, enrollee cost-sharing, and
32 termination of the enrollment of individuals concurrently enrolled in
33 a medical assistance program as provided in Substitute House Bill No.
34 2341.

35 (b) The health care authority shall coordinate with the department
36 of social and health services to negotiate a medicaid section 1115
37 waiver with the federal centers for medicare and medicaid services that

1 would provide matching funds for services provided to persons enrolled
2 in the basic health plan under chapter 70.47 RCW.

3 (c) If the waiver in (b) of this subsection is granted, the health
4 care authority may implement the waiver if it allows the program to
5 remain within appropriated levels, after providing notice of its terms
6 and conditions to the relevant policy and fiscal committees of the
7 legislature in writing thirty days prior to the planned implementation
8 date of the waiver.

9 (5) \$250,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$250,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the implementation of
12 Substitute Senate Bill No. 5360 (community collaboratives). If the
13 bill is not enacted by June 30, 2009, the amounts provided in this
14 section shall lapse.

15 (6) The authority shall seek public-private partnerships and
16 federal funds that are or may become available to implement health
17 information technology projects under the federal American recovery and
18 reinvestment act of 2009.

19 (7) \$20,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$63,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for the implementation of chapter
22 220, Laws of 2010 (accountable care organizations).

23 (8) As soon as practicable after February 28, 2011, enrollment in
24 the subsidized basic health plan shall be limited to only include
25 persons who qualify as subsidized enrollees as defined in RCW 70.47.020
26 and who (a) qualify for services under 1115 medicaid demonstration
27 project number 11-W-00254/10; or (b) are foster parents licensed under
28 chapter 74.15 RCW.

29 (9) \$1,500,000 of the general fund--federal appropriation is
30 provided solely for planning and implementation of a health benefit
31 exchange under the federal patient protection and affordable care act.
32 Within the amounts provided in this subsection, funds used by the
33 authority for information technology projects are conditioned on the
34 authority satisfying the requirements of section 902, chapter 564, Laws
35 of 2009.

36 **Sec. 1115.** 2011 c 5 s 214 (uncodified) is amended to read as
37 follows:

1 **FOR THE HUMAN RIGHTS COMMISSION**

2	General Fund--State Appropriation (FY 2010)	\$2,638,000
3	General Fund--State Appropriation (FY 2011)	(\$2,353,000)
4		<u>\$2,350,000</u>
5	General Fund--Federal Appropriation	\$1,584,000
6	TOTAL APPROPRIATION	(\$6,575,000)
7		<u>\$6,572,000</u>

8 **Sec. 1116.** 2011 c 5 s 215 (uncodified) is amended to read as
9 follows:

10 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

11	General Fund--State Appropriation (FY 2010)	\$17,273,000
12	General Fund--State Appropriation (FY 2011)	(\$16,721,000)
13		<u>\$16,803,000</u>
14	General Fund--Federal Appropriation	\$143,000
15	General Fund--Private/Local Appropriation	(\$1,378,000)
16		<u>\$1,382,000</u>
17	Death Investigations Account--State Appropriation	\$148,000
18	Municipal Criminal Justice Assistance Account--	
19	State Appropriation	\$460,000
20	Washington Auto Theft Prevention Authority Account--	
21	State Appropriation	\$6,432,000
22	TOTAL APPROPRIATION	(\$42,555,000)
23		<u>\$42,641,000</u>

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

26 (1) \$1,191,000 of the general fund--state appropriation for fiscal
27 year 2010 is provided solely for the Washington association of sheriffs
28 and police chiefs to continue to develop, maintain, and operate the
29 jail booking and reporting system (JBRS) and the statewide automated
30 victim information and notification system (SAVIN).

31 (2) \$5,000,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$5,000,000 of the general fund--state appropriation for
33 fiscal year 2011, are provided to the Washington association of
34 sheriffs and police chiefs solely to verify the address and residency
35 of registered sex offenders and kidnapping offenders under RCW
36 9A.44.130. The Washington association of sheriffs and police chiefs
37 shall:

1 (a) Enter into performance-based agreements with units of local
2 government to ensure that registered offender address and residency are
3 verified:

- 4 (i) For level I offenders, every twelve months;
- 5 (ii) For level II offenders, every six months; and
- 6 (iii) For level III offenders, every three months.

7 For the purposes of this subsection, unclassified offenders and
8 kidnapping offenders shall be considered at risk level I unless in the
9 opinion of the local jurisdiction a higher classification is in the
10 interest of public safety.

11 (b) Collect performance data from all participating jurisdictions
12 sufficient to evaluate the efficiency and effectiveness of the address
13 and residency verification program; and

14 (c) Submit a report on the effectiveness of the address and
15 residency verification program to the governor and the appropriate
16 committees of the house of representatives and senate by December 31,
17 each year.

18 The Washington association of sheriffs and police chiefs may retain up
19 to three percent of the amount provided in this subsection for the cost
20 of administration. Any funds not disbursed for address and residency
21 verification or retained for administration may be allocated to local
22 prosecutors for the prosecution costs associated with failing-
23 to-register offenses.

24 (3) \$30,000 of the general fund--state appropriation for fiscal
25 year 2010 is provided solely for the implementation of Second
26 Substitute House Bill No. 2078 (persons with developmental disabilities
27 in correctional facilities or jails). If the bill is not enacted by
28 June 30, 2009, the amount provided in this subsection shall lapse.

29 (4) (~~(\$171,000)~~) \$75,000 of the general fund--local appropriation
30 is provided solely to purchase ammunition for the basic law enforcement
31 academy. Jurisdictions with one hundred or more full-time commissioned
32 officers shall reimburse to the criminal justice training commission
33 the costs of ammunition, based on the average cost of ammunition per
34 cadet, for cadets that they enroll in the basic law enforcement
35 academy.

36 (5) The criminal justice training commission may not run a basic
37 law enforcement academy class of fewer than 30 students.

1 **Sec. 1117.** 2011 c 5 s 216 (uncodified) is amended to read as
2 follows:

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

4	General Fund--State Appropriation (FY 2010)	\$24,975,000
5	General Fund--State Appropriation (FY 2011)	(\$18,120,000)
6		<u>\$17,876,000</u>
7	General Fund--Federal Appropriation	\$11,316,000
8	Asbestos Account--State Appropriation	\$923,000
9	Electrical License Account--State Appropriation	\$36,977,000
10	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
11	Worker and Community Right-to-Know Account--	
12	State Appropriation	\$1,987,000
13	Public Works Administration Account--State	
14	Appropriation	\$6,021,000
15	Manufactured Home Installation Training Account--	
16	State Appropriation	(\$143,000)
17		<u>\$135,000</u>
18	Accident Account--State Appropriation	\$250,509,000
19	Accident Account--Federal Appropriation	\$13,621,000
20	Medical Aid Account--State Appropriation	\$249,232,000
21	Medical Aid Account--Federal Appropriation	\$3,186,000
22	Plumbing Certificate Account--State Appropriation	\$1,704,000
23	Pressure Systems Safety Account--State Appropriation	\$4,144,000
24	TOTAL APPROPRIATION	(\$622,886,000)
25		<u>\$622,634,000</u>

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

28 (1) Pursuant to RCW 43.135.055, the department is authorized to
29 increase fees related to factory assembled structures, contractor
30 registration, electricians, plumbers, asbestos removal, boilers,
31 elevators, and manufactured home installers. These increases are
32 necessary to support expenditures authorized in this section,
33 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW
34 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

35 (2) \$424,000 of the accident account--state appropriation and
36 \$76,000 of the medical aid account--state appropriation are provided
37 solely for implementation of a community agricultural worker safety

1 grant at the department of agriculture. The department shall enter
2 into an interagency agreement with the department of agriculture to
3 implement the grant.

4 (3) \$4,850,000 of the medical aid account--state appropriation is
5 provided solely to continue the program of safety and health as
6 authorized by RCW 49.17.210 to be administered under rules adopted
7 pursuant to chapter 34.05 RCW, provided that projects funded involve
8 workplaces insured by the medical aid fund, and that priority is given
9 to projects fostering accident prevention through cooperation between
10 employers and employees or their representatives.

11 (4) \$150,000 of the medical aid account--state appropriation is
12 provided solely for the department to contract with one or more
13 independent experts to evaluate and recommend improvements to the
14 rating plan under chapter 51.18 RCW, including analyzing how risks are
15 pooled, the effect of including worker premium contributions in
16 adjustment calculations, incentives for accident and illness
17 prevention, return-to-work practices, and other sound risk-management
18 strategies that are consistent with recognized insurance principles.

19 (5) The department shall continue to conduct utilization reviews of
20 physical and occupational therapy cases at the 24th visit. The
21 department shall continue to report performance measures and targets
22 for these reviews on the agency web site. The reports are due
23 September 30th for the prior fiscal year and must include the amount
24 spent and the estimated savings per fiscal year.

25 (6) The appropriations in this section reflect reductions in the
26 appropriations for the department of labor and industries'
27 administrative expenses. It is the intent of the legislature that
28 these reductions shall be achieved, to the greatest extent possible, by
29 reducing administrative costs only.

30 (7) \$500,000 of the accident account--state appropriation is
31 provided solely for the department to contract with one or more
32 independent experts to oversee and assist the department's
33 implementation of improvements to the rating plan under chapter 51.18
34 RCW, in collaboration with the department and with the department's
35 work group of retrospective rating and workers' compensation
36 stakeholders. The independent experts will validate the impact of
37 recommended changes on retrospective rating participants and

1 nonparticipants, confirm implementation technology changes, and provide
2 other implementation assistance as determined by the department.

3 (8) \$194,000 of the accident account--state appropriation and
4 \$192,000 of the medical aid account--state appropriation are provided
5 solely for implementation of Senate Bill No. 5346 (health care
6 administrative procedures).

7 (9) \$131,000 of the accident account--state appropriation and
8 \$128,000 of the medical aid account--state appropriation are provided
9 solely for implementation of Senate Bill No. 5613 (stop work orders).

10 (10) \$68,000 of the accident account--state appropriation and
11 \$68,000 of the medical aid account--state appropriation are provided
12 solely for implementation of Senate Bill No. 5688 (registered domestic
13 partners).

14 (11) \$320,000 of the accident account--state appropriation and
15 \$147,000 of the medical aid account--state appropriation are provided
16 solely for implementation of Senate Bill No. 5873 (apprenticeship
17 utilization).

18 (12) \$73,000 of the general fund--state appropriation for fiscal
19 year 2010, \$66,000 of the general fund--state appropriation for fiscal
20 year 2011, \$606,000 of the accident account--state appropriation, and
21 \$600,000 of the medical aid account--state appropriation are provided
22 solely for the implementation of House Bill No. 1555 (underground
23 economy).

24 (13) \$574,000 of the accident account--state appropriation and
25 \$579,000 of the medical account--state appropriation are provided
26 solely for the implementation of House Bill No. 1402 (industrial
27 insurance appeals).

28 (14) Within statutory guidelines, the boiler program shall explore
29 opportunities to increase program efficiency. Strategies may include
30 the consolidation of routine multiple inspections to the same site and
31 trip planning to ensure the least number of miles traveled.

32 (15) \$16,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$50,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the crime victims compensation
35 program to pay claims for mental health services for crime victim
36 compensation program clients who have an established relationship with
37 a mental health provider and subsequently obtain coverage under the
38 medicaid program or the medical care services program under chapter

1 74.09 RCW. Prior to making such payment, the program must have
2 determined that payment for the specific treatment or provider is not
3 available under the medicaid or medical care services program. In
4 addition, the program shall make efforts to contact any healthy options
5 or medical care services health plan in which the client may be
6 enrolled to help the client obtain authorization to pay the claim on an
7 out-of-network basis.

8 (16) \$48,000 of the accident account--state appropriation and
9 \$48,000 of the medical aid account--state appropriation are provided
10 solely for the implementation of Substitute House Bill No. 2789
11 (issuance of subpoenas for purposes of agency investigations of
12 underground economic activity). If the bill is not enacted by June 30,
13 2010, the amount provided in this subsection shall lapse.

14 (17) \$71,000 of the general fund--state appropriation for fiscal
15 year 2011 is provided solely for implementation of Senate Bill No. 6349
16 (farm internship program). If the bill is not enacted by June 30,
17 2010, the amount provided in this subsection shall lapse.

18 (18) \$127,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$133,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for the department to provide
21 benefits in excess of the cap established by sections 1 and 2, chapter
22 122, Laws of 2010. These benefits shall be paid for claimants who were
23 determined eligible for and who were receiving crime victims'
24 compensation benefits because they were determined to be permanently
25 and totally disabled, as defined by RCW 51.08.160, prior to April 1,
26 2010. The director shall establish, by May 1, 2010, a process to aid
27 crime victims' compensation recipients in identifying and applying for
28 appropriate alternative benefit programs.

29 (19) \$155,000 of the public works administration account--state
30 appropriation is provided solely for the implementation of Engrossed
31 House Bill No. 2805 (offsite prefabricated items). If the bill is not
32 enacted by June 30, 2010, the amount provided in this subsection shall
33 lapse.

34 **Sec. 1118.** 2011 c 5 s 217 (uncodified) is amended to read as
35 follows:

36 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**
37 General Fund--State Appropriation (FY 2010) \$1,882,000

1 General Fund--State Appropriation (FY 2011) (~~(\$1,659,000)~~)
2 \$1,657,000
3 TOTAL APPROPRIATION (~~(\$3,541,000)~~)
4 \$3,539,000

5 **Sec. 1119.** 2011 c 5 s 218 (uncodified) is amended to read as
6 follows:

7 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

8 (1) HEADQUARTERS

9 General Fund--State Appropriation (FY 2010) \$1,913,000
10 General Fund--State Appropriation (FY 2011) (~~(\$1,865,000)~~)
11 \$1,755,000
12 Charitable, Educational, Penal, and Reformatory
13 Institutions Account--State Appropriation \$10,000
14 TOTAL APPROPRIATION (~~(\$3,788,000)~~)
15 \$3,678,000

16 The appropriations in this subsection are subject to the following
17 conditions and limitations: In addition to other reductions, the
18 appropriations in this section reflect reductions targeted specifically
19 to state government administrative costs. These administrative
20 reductions shall be achieved, to the greatest extent possible, by
21 reducing those administrative costs that do not affect direct client
22 services or direct service delivery or programs.

23 (2) FIELD SERVICES

24 General Fund--State Appropriation (FY 2010) \$4,885,000
25 General Fund--State Appropriation (FY 2011) \$4,964,000
26 General Fund--Federal Appropriation \$2,382,000
27 General Fund--Private/Local Appropriation \$4,512,000
28 Veterans Innovations Program Account--State
29 Appropriation \$897,000
30 Veteran Estate Management Account--Private/Local
31 Appropriation \$1,072,000
32 TOTAL APPROPRIATION \$18,712,000

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

35 (a) The department shall collaborate with the department of social

1 and health services to identify and assist eligible general assistance
2 unemployable clients to access the federal department of veterans
3 affairs benefits.

4 (b) \$648,000 of the veterans innovations program account--state
5 appropriation is provided solely for the department to continue support
6 for returning combat veterans through the veterans innovation program,
7 including emergency financial assistance through the defenders' fund
8 and long-term financial assistance through the competitive grant
9 program.

10 (c) In addition to other reductions, the appropriations in this
11 section reflect reductions targeted specifically to state government
12 administrative costs. These administrative reductions shall be
13 achieved, to the greatest extent possible, by reducing those
14 administrative costs that do not affect direct client services or
15 direct service delivery or programs.

16 (3) INSTITUTIONAL SERVICES

17	General Fund--State Appropriation (FY 2010)	\$3,318,000
18	((General Fund--State Appropriation (FY 2011)	\$1,793,000))
19	General Fund--Federal Appropriation	(((\$50,931,000))
20		<u>\$52,965,000</u>
21	General Fund--Private/Local Appropriation	(((\$34,189,000))
22		<u>\$34,791,000</u>
23	TOTAL APPROPRIATION	(((\$90,231,000))
24		<u>\$91,074,000</u>

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

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

33 (b) The reductions in this subsection shall be achieved through
34 savings from contract revisions and shall not impact the availability
35 of goods and services for residents of the three state veterans homes.

36 **Sec. 1120.** 2011 c 5 s 219 (uncodified) is amended to read as
37 follows:

1	FOR THE DEPARTMENT OF HEALTH	
2	General Fund--State Appropriation (FY 2010)	\$98,414,000
3	General Fund--State Appropriation (FY 2011)	(\$72,427,000)
4		<u>\$72,269,000</u>
5	General Fund--Federal Appropriation	(\$564,379,000)
6		<u>\$567,818,000</u>
7	General Fund--Private/Local Appropriation	\$162,237,000
8	Hospital Data Collection Account--State Appropriation	\$218,000
9	Health Professions Account--State Appropriation	\$82,850,000
10	Aquatic Lands Enhancement Account--State Appropriation	\$603,000
11	Emergency Medical Services and Trauma Care Systems	
12	Trust Account--State Appropriation	\$13,206,000
13	Safe Drinking Water Account--State Appropriation	\$2,731,000
14	Drinking Water Assistance Account--Federal	
15	Appropriation	\$22,862,000
16	Waterworks Operator Certification--State	
17	Appropriation	\$1,522,000
18	Drinking Water Assistance Administrative Account--	
19	State Appropriation	\$326,000
20	State Toxics Control Account--State Appropriation	\$4,348,000
21	Medical Test Site Licensure Account--State	
22	Appropriation	\$2,261,000
23	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
24	Public Health Supplemental Account--Private/Local	
25	Appropriation	\$3,804,000
26	Community and Economic Development Fee Account--State	
27	Appropriation	\$298,000
28	Accident Account--State Appropriation	\$292,000
29	Medical Aid Account--State Appropriation	\$48,000
30	Tobacco Prevention and Control Account--State	
31	Appropriation	\$41,196,000
32	Biotoxin Account--State Appropriation	\$1,163,000
33	TOTAL APPROPRIATION	(\$1,076,697,000)
34		<u>\$1,079,978,000</u>

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

37 (1) The department of health shall not initiate any services that
38 will require expenditure of state general fund moneys unless expressly

1 authorized in this act or other law. The department of health and the
2 state board of health shall not implement any new or amended rules
3 pertaining to primary and secondary school facilities until the rules
4 and a final cost estimate have been presented to the legislature, and
5 the legislature has formally funded implementation of the rules through
6 the omnibus appropriations act or by statute. The department may seek,
7 receive, and spend, under RCW 43.79.260 through 43.79.282, federal
8 moneys not anticipated in this act as long as the federal funding does
9 not require expenditure of state moneys for the program in excess of
10 amounts anticipated in this act. If the department receives
11 unanticipated unrestricted federal moneys, those moneys shall be spent
12 for services authorized in this act or in any other legislation that
13 provides appropriation authority, and an equal amount of appropriated
14 state moneys shall lapse. Upon the lapsing of any moneys under this
15 subsection, the office of financial management shall notify the
16 legislative fiscal committees. As used in this subsection,
17 "unrestricted federal moneys" includes block grants and other funds
18 that federal law does not require to be spent on specifically defined
19 projects or matched on a formula basis by state funds.

20 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
21 is authorized to establish and raise fees in fiscal year 2011 as
22 necessary to meet the actual costs of conducting business and the
23 appropriation levels in this section. This authorization applies to
24 fees for the review of sewage tank designs, fees related to regulation
25 and inspection of farmworker housing, and fees associated with the
26 following professions: Acupuncture, dental, denturist, mental health
27 counselor, nursing, nursing assistant, optometry, radiologic
28 technologist, recreational therapy, respiratory therapy, social worker,
29 cardiovascular invasive specialist, and practitioners authorized under
30 chapter 18.240 RCW.

31 (3) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is
32 authorized to establish fees by the amount necessary to fully support
33 the cost of activities related to the administration of long-term care
34 worker certification. The department is further authorized to increase
35 fees by the amount necessary to implement the regulatory requirements
36 of the following bills: House Bill No. 1414 (health care assistants),
37 House Bill No. 1740 (dental residency licenses), and House Bill No.
38 1899 (retired active physician licenses).

1 (4) \$764,000 of the health professions account--state appropriation
2 is provided solely for the medical quality assurance commission to
3 maintain disciplinary staff and associated costs sufficient to reduce
4 the backlog of disciplinary cases and to continue to manage the
5 disciplinary caseload of the commission.

6 (5) \$57,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$54,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for the midwifery licensure and
9 regulatory program to offset a reduction in revenue from fees. The
10 department shall convene the midwifery advisory committee on a
11 quarterly basis to address issues related to licensed midwifery. The
12 appropriations in this section assume that the current application and
13 renewal fee for midwives shall be increased by fifty dollars and all
14 other fees for midwives be adjusted accordingly.

15 (6) Funding for the human papillomavirus vaccine shall not be
16 included in the department's universal vaccine purchase program in
17 fiscal year 2010. Remaining funds for the universal vaccine purchase
18 program shall be used to continue the purchase of all other vaccines
19 included in the program until May 1, 2010, at which point state funding
20 for the universal vaccine purchase program shall be discontinued.

21 (7) Beginning July 1, 2010, the department, in collaboration with
22 the department of social and health services, shall maximize the use of
23 existing federal funds, including section 317 of the federal public
24 health services act direct assistance as well as federal funds that may
25 become available under the American recovery and reinvestment act, in
26 order to continue to provide immunizations for low-income, nonmedicaid
27 eligible children up to three hundred percent of the federal poverty
28 level in state-sponsored health programs.

29 (8) The department shall eliminate outreach activities for the
30 health care directives registry and use the remaining amounts to
31 maintain the contract for the registry and minimal staffing necessary
32 to administer the basic entry functions for the registry.

33 (9) Funding in this section reflects a temporary reduction of
34 resources for the 2009-11 fiscal biennium for the state board of health
35 to conduct health impact reviews.

36 (10) Pursuant to RCW 43.135.055 and 43.70.125, the department is
37 authorized to adopt rules to establish a fee schedule to apply to
38 applicants for initial certification surveys of health care facilities

1 for purposes of receiving federal health care program reimbursement.
2 The fees shall only apply when the department has determined that
3 federal funding is not sufficient to compensate the department for the
4 cost of conducting initial certification surveys. The fees for initial
5 certification surveys may be established as follows: Up to \$1,815 for
6 ambulatory surgery centers, up to \$2,015 for critical access hospitals,
7 up to \$980 for end stage renal disease facilities, up to \$2,285 for
8 home health agencies, up to \$2,285 for hospice agencies, up to \$2,285
9 for hospitals, up to \$520 for rehabilitation facilities, up to \$690 for
10 rural health clinics, and up to \$7,000 for transplant hospitals.

11 (11) Funding for family planning grants for fiscal year 2011 is
12 reduced in the expectation that federal funding shall become available
13 to expand coverage of services for individuals through programs at the
14 department of social and health services. In the event that such
15 funding is not provided, the legislature intends to continue funding
16 through a supplemental appropriation at fiscal year 2010 levels.
17 \$4,360,000 of the general fund--state appropriation is provided solely
18 for the department of health-funded family planning clinic grants due
19 to federal funding not becoming available.

20 (12) \$16,000,000 of the tobacco prevention and control
21 account--state appropriation is provided solely for local health
22 jurisdictions to conduct core public health functions as defined in RCW
23 43.70.514.

24 (13) \$100,000 of the health professions account appropriation is
25 provided solely for implementation of Substitute House Bill No. 1414
26 (health care assistants). If the bill is not enacted by June 30, 2009,
27 the amount provided in this subsection shall lapse.

28 (14) \$42,000 of the health professions account--state appropriation
29 is provided solely to implement Substitute House Bill No. 1740
30 (dentistry license issuance). If the bill is not enacted by June 30,
31 2009, the amount provided in this section shall lapse.

32 (15) \$23,000 of the health professions account--state appropriation
33 is provided solely to implement Second Substitute House Bill No. 1899
34 (retired active physician licenses). If the bill is not enacted by
35 June 30, 2009, the amount provided in this section shall lapse.

36 (16) \$12,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$67,000 of the general fund--private/local appropriation

1 are provided solely to implement House Bill No. 1510 (birth
2 certificates). If the bill is not enacted by June 30, 2009, the amount
3 provided in this section shall lapse.

4 (17) \$31,000 of the health professions account is provided for the
5 implementation of Second Substitute Senate Bill No. 5850 (human
6 trafficking). If the bill is not enacted by June 2009, the amount
7 provided in this subsection shall lapse.

8 (18) \$282,000 of the health professions account is provided for the
9 implementation of Substitute Senate Bill No. 5752 (dentists cost
10 recovery). If the bill is not enacted by June 2009, the amount
11 provided in this subsection shall lapse.

12 (19) \$106,000 of the health professions account is provided for the
13 implementation of Substitute Senate Bill No. 5601 (speech language
14 assistants). If the bill is not enacted by June 2009, the amount
15 provided in this subsection shall lapse.

16 (20) Subject to existing resources, the department of health is
17 encouraged to examine, in the ordinary course of business, current and
18 prospective programs, treatments, education, and awareness of
19 cardiovascular disease that are needed for a thriving and healthy
20 Washington.

21 (21) \$390,000 of the health professions account--state
22 appropriation is provided solely to implement chapter 169, Laws of 2010
23 (nursing assistants). The amount provided in this subsection is from
24 fee revenue authorized by Engrossed Substitute Senate Bill No. 6582.

25 (22) \$10,000 of the health professions account--state appropriation
26 for fiscal year 2010 and \$40,000 of the health professions
27 account--state appropriation for fiscal year 2011 are provided solely
28 for the department to study cost effective options for collecting
29 demographic data related to the health care professions workforce to be
30 submitted to the legislature by December 1, 2010.

31 (23) \$66,000 of the health professions account--state appropriation
32 is provided solely to implement chapter 209, Laws of 2010 (pain
33 management).

34 (24) \$10,000 of the health professions account--state appropriation
35 is provided solely to implement chapter 92, Laws of 2010
36 (cardiovascular invasive specialists).

37 (25) \$23,000 of the general fund--state appropriation is provided

1 solely to implement chapter 182, Laws of 2010 (tracking ephedrine,
2 etc.).

3 (26) The department is authorized to coordinate a tobacco cessation
4 media campaign using all appropriate media with the purpose of
5 maximizing the use of quit-line services and youth smoking prevention.

6 (27) It is the intent of the legislature that the reductions in
7 appropriations to the AIDS/HIV programs shall be achieved, to the
8 greatest extent possible, by reducing those state government
9 administrative costs that do not affect direct client services or
10 direct service delivery or programs. The agency shall, to the greatest
11 extent possible, reduce spending in those areas that shall have the
12 least impact on implementing these programs.

13 (28) \$400,000 of the state toxics control account--state
14 appropriation is provided solely for granting to a willing local public
15 entity to provide emergency water supplies or water treatment for
16 households with individuals at high public health risk from nitrate-
17 contaminated wells in the lower Yakima basin.

18 (29) \$100,000 of the state toxics control account--state
19 appropriation is provided solely for an interagency contract to the
20 department of ecology to grant to agencies involved in improving
21 groundwater quality in the lower Yakima Valley. These agencies will
22 develop a local plan for improving water quality and reducing nitrate
23 contamination. The department of ecology will report to the
24 appropriate committees of the legislature and to the office of
25 financial management no later than December 1, 2010, summarizing
26 progress towards developing and implementing this plan.

27 (30) In accordance with RCW 43.135.055, the department is
28 authorized to adopt and increase all fees set forth in and previously
29 authorized in section 221(2), chapter 37, Laws of 2010 1st sp.s.

30 NEW SECTION. **Sec. 1121.** A new section is added to 2009 c 564
31 (uncodified) to read as follows:

32 **FOR THE DEPARTMENT OF CORRECTIONS**

33 The appropriations to the department of corrections in this act
34 shall be expended for the programs and in the amounts specified herein.
35 However, after May 1, 2011, after approval by the director of financial
36 management and unless specifically prohibited by this act, the
37 department may transfer general fund--state appropriations for fiscal

1 year 2011 between programs. The department shall not transfer funds,
2 and the director of financial management shall not approve the
3 transfer, unless the transfer is consistent with the objective of
4 conserving, to the maximum extent possible, the expenditure of state
5 funds and not federal funds. The director of financial management
6 shall notify the appropriate fiscal committees of the senate and house
7 of representatives in writing seven days prior to approving any
8 deviations from appropriation levels. The written notification shall
9 include a narrative explanation and justification of the changes, along
10 with expenditures and allotments by budget unit and appropriation, both
11 before and after any allotment modifications or transfers.

12 **Sec. 1122.** 2011 c 5 s 220 (uncodified) is amended to read as
13 follows:

14 **FOR THE DEPARTMENT OF CORRECTIONS**

15 (1) ADMINISTRATION AND SUPPORT SERVICES

16 General Fund--State Appropriation (FY 2010)	\$55,772,000
17 General Fund--State Appropriation (FY 2011)	(\$51,929,000)
	<u>\$48,131,000</u>
19 TOTAL APPROPRIATION	(\$107,701,000)
	<u>\$103,903,000</u>

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

23 (a) Within funds appropriated in this section, the department shall
24 seek contracts for chemical dependency vendors to provide chemical
25 dependency treatment of offenders in corrections facilities, including
26 corrections centers and community supervision facilities, which have
27 demonstrated effectiveness in treatment of offenders and are able to
28 provide data to show a successful treatment rate.

29 (b) \$35,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$35,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the support of a statewide
32 council on mentally ill offenders that includes as its members
33 representatives of community-based mental health treatment programs,
34 current or former judicial officers, and directors and commanders of
35 city and county jails and state prison facilities. The council will
36 investigate and promote cost-effective approaches to meeting the
37 long-term needs of adults and juveniles with mental disorders who have

1 a history of offending or who are at-risk of offending, including their
2 mental health, physiological, housing, employment, and job training
3 needs.

4 (2) CORRECTIONAL OPERATIONS

5	General Fund--State Appropriation (FY 2010)	\$458,503,000
6	General Fund--State Appropriation (FY 2011)	(\$562,084,000)
7		<u>\$568,633,000</u>
8	General Fund--Federal Appropriation	(\$186,651,000)
9		<u>\$186,720,000</u>
10	Washington Auto Theft Prevention Authority Account--	
11	State Appropriation	\$5,936,000
12	State Efficiency and Restructuring Account--State	
13	Appropriation	\$34,522,000
14	TOTAL APPROPRIATION	(\$1,247,696,000)
15		<u>\$1,254,314,000</u>

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

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

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

29 (c) During the 2009-11 biennium, when contracts are established or
30 renewed for offender pay phone and other telephone services provided to
31 inmates, the department shall select the contractor or contractors
32 primarily based on the following factors: (i) The lowest rate charged
33 to both the inmate and the person paying for the telephone call; and
34 (ii) the lowest commission rates paid to the department, while
35 providing reasonable compensation to cover the costs of the department
36 to provide the telephone services to inmates and provide sufficient
37 revenues for the activities funded from the institutional welfare
38 betterment account.

1 (d) The Harborview medical center and the University of Washington
2 medical center shall provide inpatient and outpatient hospital services
3 to offenders confined in department of corrections facilities at a rate
4 no greater than the average rate that the department has negotiated
5 with other community hospitals in Washington state.

6 (e) A political subdivision which is applying for funding to
7 mitigate one-time impacts associated with construction or expansion of
8 a correctional institution, consistent with WAC 137-12A-030, may apply
9 for the mitigation funds in the fiscal biennium in which the impacts
10 occur or in the immediately succeeding fiscal biennium.

11 (f) Within amounts provided in this subsection, the department,
12 jointly with the department of social and health services, shall
13 identify the number of offenders released through the extraordinary
14 medical placement program, the cost savings to the department of
15 corrections, including estimated medical cost savings, and the costs
16 for medical services in the community incurred by the department of
17 social and health services. The department and the department of
18 social and health services shall jointly report to the office of
19 financial management and the appropriate fiscal committees of the
20 legislature by November 30, 2010.

21 (g) \$11,863,000 of the general fund--state appropriation for fiscal
22 year 2010, \$7,953,000 of the general fund--state appropriation for
23 fiscal year 2011, and \$2,336,000 of the general fund--private/local
24 appropriation are provided solely for in-prison evidence-based programs
25 and for the reception diagnostic center program as part of the offender
26 re-entry initiative.

27 (h) The appropriations in this subsection are based on savings
28 assumed from the closure of the McNeil Island corrections center, the
29 Ahtanum View corrections center, and the Pine Lodge corrections center
30 for women.

31 (3) COMMUNITY SUPERVISION

32	General Fund--State Appropriation (FY 2010)	\$150,729,000
33	General Fund--State Appropriation (FY 2011)	(\$134,840,000)
34		<u>\$133,549,000</u>
35	TOTAL APPROPRIATION	(\$285,569,000)
36		<u>\$284,278,000</u>

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

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

6 (b) \$2,083,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$2,083,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely to implement Senate Bill No. 5525
9 (state institutions/release). If the bill is not enacted by June 30,
10 2009, the amounts provided in this subsection shall lapse.

11 (c) The appropriations in this subsection are based upon savings
12 assumed from the implementation of Engrossed Substitute Senate Bill No.
13 5288 (supervision of offenders).

14 (d) \$2,791,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$2,680,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for evidence-based community
17 programs and for community justice centers as part of the offender
18 re-entry initiative.

19 (e) \$418,300 of the general fund--state appropriation for fiscal
20 year 2010 is provided solely for the purposes of settling all claims in
21 *Hilda Solis, Secretary of Labor, United States Department of Labor v.*
22 *State of Washington, Department of Corrections*, United States District
23 Court, Western District of Washington, Cause No. C08-cv-05362-RJB. The
24 expenditure of this amount is contingent on the release of all claims
25 in the case, and total settlement costs shall not exceed the amount
26 provided in this subsection. If settlement is not fully executed by
27 June 30, 2010, the amount provided in this subsection shall lapse.

28 (f) \$984,000 of the general fund--state appropriation for fiscal
29 year 2011 is provided solely for supplemental services that will be
30 provided to offenders in lieu of a prison sentence, pursuant to chapter
31 224, Laws of 2010 (confinement alternatives).

32 (4) CORRECTIONAL INDUSTRIES

33	General Fund--State Appropriation (FY 2010)	\$2,574,000
34	General Fund--State Appropriation (FY 2011)	((\$2,441,000))
35		<u>\$2,642,000</u>
36	TOTAL APPROPRIATION	((\$5,015,000))
37		<u>\$5,216,000</u>

1 The appropriations in this subsection are subject to the following
 2 conditions and limitations: \$132,000 of the general fund--state
 3 appropriation for fiscal year 2010 and \$132,000 of the general
 4 fund--state appropriation for fiscal year 2011 are provided solely for
 5 transfer to the jail industries board. The board shall use the amounts
 6 provided only for administrative expenses, equipment purchases, and
 7 technical assistance associated with advising cities and counties in
 8 developing, promoting, and implementing consistent, safe, and efficient
 9 offender work programs.

10 (5) INTERAGENCY PAYMENTS

11	General Fund--State Appropriation (FY 2010)	\$40,728,000
12	General Fund--State Appropriation (FY 2011)	(\$38,629,000)
13		<u>\$38,995,000</u>
14	TOTAL APPROPRIATION	(\$79,357,000)
15		<u>\$79,723,000</u>

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

18 (a) The state prison institutions may use funds appropriated in
 19 this subsection to rent uniforms from correctional industries in
 20 accordance with existing legislative mandates.

21 (b) The state prison medical facilities may use funds appropriated
 22 in this subsection to purchase goods and supplies through hospital or
 23 other group purchasing organizations when it is cost effective to do
 24 so.

25 (6) Funding in this section may not be used to purchase radios or
 26 base station repeaters related to the movement to narrowband
 27 frequencies, or for reprogramming existing narrowband radios.

28 **Sec. 1123.** 2011 c 5 s 221 (uncodified) is amended to read as
 29 follows:

30 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

31	General Fund--State Appropriation (FY 2010)	\$2,504,000
32	General Fund--State Appropriation (FY 2011)	(\$2,160,000)
33		<u>\$2,158,000</u>
34	General Fund--Federal Appropriation	(\$18,116,000)
35		<u>\$18,416,000</u>
36	General Fund--Private/Local Appropriation	\$30,000
37	TOTAL APPROPRIATION	(\$22,810,000)

1 \$23,108,000

2 **Sec. 1124.** 2011 c 5 s 222 (uncodified) is amended to read as
3 follows:

4 **FOR THE SENTENCING GUIDELINES COMMISSION**

General Fund--State Appropriation (FY 2010)	\$962,000
General Fund--State Appropriation (FY 2011)	((\$844,000))
	<u>\$843,000</u>
TOTAL APPROPRIATION	((\$1,806,000))
	<u>\$1,805,000</u>

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

12 (1) Within the amounts appropriated in this section, the sentencing
13 guidelines commission, in partnership with the courts, shall develop a
14 plan to implement an evidence-based system of community custody for
15 adult felons that will include the consistent use of evidence-based
16 risk and needs assessment tools, programs, supervision modalities, and
17 monitoring of program integrity. The plan for the evidence-based
18 system of community custody shall include provisions for identifying
19 cost-effective rehabilitative programs; identifying offenders for whom
20 such programs would be cost-effective; monitoring the system for cost-
21 effectiveness; and reporting annually to the legislature. In
22 developing the plan, the sentencing guidelines shall consult with: The
23 Washington state institute for public policy; the legislature; the
24 department of corrections; local governments; prosecutors; defense
25 attorneys; victim advocate groups; law enforcement; the Washington
26 federation of state employees; and other interested entities. The
27 sentencing guidelines commission shall report its recommendations to
28 the governor and the legislature by December 1, 2009.

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

33 (b) The commission shall submit the analysis described in section
34 15 of Engrossed Substitute Senate Bill No. 5288 no later than December
35 1, 2011.

36 (3) Within the amounts appropriated in this section, the sentencing
37 guidelines commission shall survey the practices of other states

1 relating to offenders who violate any conditions of their community
 2 custody. In conducting the survey, the sentencing guidelines
 3 commission shall perform a review of the research studies to determine
 4 if a mandatory minimum confinement policy is an evidence-based
 5 practice, investigate the implementation of such a policy in other
 6 states, and estimate the fiscal impacts of implementing such a policy
 7 in Washington state. The sentencing guidelines commission shall report
 8 its findings to the governor and the legislature by December 1, 2010.

9 **Sec. 1125.** 2011 c 5 s 223 (uncodified) is amended to read as
 10 follows:

11 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

12	General Fund--State Appropriation (FY 2010)	\$2,054,000
13	General Fund--State Appropriation (FY 2011)	((\$4,735,000))
14		<u>\$4,219,000</u>
15	General Fund--Federal Appropriation	((\$324,135,000))
16		<u>\$327,109,000</u>
17	General Fund--Private/Local Appropriation	\$33,640,000
18	Unemployment Compensation Administration Account--	
19	Federal Appropriation	((\$348,000,000))
20		<u>\$370,397,000</u>
21	Administrative Contingency Account--State Appropriation . . .	\$345,000
22	Employment Service Administrative Account--State	
23	Appropriation	\$37,775,000
24	TOTAL APPROPRIATION	((\$750,684,000))
25		<u>\$775,539,000</u>

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

28 (1) \$59,829,000 of the unemployment compensation administration
 29 account--federal appropriation is provided from amounts made available
 30 to the state by section 903 (d) and (f) of the social security act
 31 (Reed act). This amount is authorized to continue current unemployment
 32 insurance functions and department services to employers and job
 33 seekers.

34 (2) \$17,327,000 of the unemployment compensation administration
 35 account--federal appropriation is provided from amounts made available
 36 to the state by section 903(d) and (f) of the social security act (Reed
 37 act). This amount is authorized to fund the replacement of the

1 unemployment insurance tax information system (TAXIS) for the
2 employment security department. This section is subject to section 902
3 of this act. After the effective date of this section, the employment
4 security department may not incur further obligations for the
5 replacement of the unemployment insurance tax information system
6 (TAXIS). Nothing in this act prohibits the department from meeting
7 obligations incurred prior to the effective date of this section.

8 (3) \$110,000 of the unemployment compensation administration
9 account--federal appropriation is provided solely for implementation of
10 Senate Bill No. 5804 (leaving part time work voluntarily).

11 (4) \$1,263,000 of the unemployment compensation administration
12 account--federal appropriation is provided solely for implementation of
13 Senate Bill No. 5963 (unemployment insurance).

14 (5) \$159,000 of the unemployment compensation account--federal
15 appropriation is provided solely for the implementation of House Bill
16 No. 1555 (underground economy) from funds made available to the state
17 by section 903(d) of the social security act (Reed act).

18 (6) \$295,000 of the administrative contingency--state appropriation
19 for fiscal year 2010 is provided solely for the implementation of House
20 Bill No. 2227 (evergreen jobs act).

21 (7) \$2,000,000 of the general fund--state appropriation for fiscal
22 year 2010 and (~~(\$4,682,000)~~) \$4,182,000 of the general fund--state
23 appropriation for fiscal year 2011 are provided solely for the
24 implementation of Senate Bill No. 5809 (WorkForce employment and
25 training).

26 (8) \$444,000 of the unemployment compensation administration
27 account--federal appropriation is provided solely for the
28 implementation of Substitute Senate Bill No. 6524 (unemployment
29 insurance penalties and contribution rates) from funds made available
30 to the state by section 903 (d) or (f) of the social security act (Reed
31 12 act). If the bill is not enacted by June 30, 2010, the amount
32 provided in this subsection shall lapse.

33 (9) \$232,000 of the unemployment compensation administration
34 account--federal appropriation from funds made available to the state
35 by section 903(c) or (f) of the social security act (Reed act) is
36 provided solely for the implementation of Substitute House Bill No.
37 2789 (underground economic activity). If the bill is not enacted by
38 June 30, 2010, the amount provided in this subsection shall lapse.

1 (10) \$577,000 of the unemployment compensation administration
2 account--federal appropriation is from amounts available to the state
3 by section 903 (d), (f), and (g) of the social security act (Reed act).
4 This amount is provided solely for implementation of chapter 4, Laws of
5 2011 (unemployment insurance program).

6 (11) \$11,000 of the unemployment compensation administration
7 account--federal appropriation is from amounts available to the state
8 by section 903 (d), (f), and (g) of the social security act (Reed act).
9 This amount is provided solely for implementation of chapter 4, Laws of
10 2011 (unemployment insurance program).

(End of part)

PART XII
NATURAL RESOURCES

Sec. 1201. 2011 c 5 s 301 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2010)	\$58,552,000
General Fund--State Appropriation (FY 2011)	(\$46,925,000)
	<u>\$46,392,000</u>
General Fund--Federal Appropriation	\$82,079,000
General Fund--Private/Local Appropriation	\$16,688,000
Special Grass Seed Burning Research Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	(\$3,649,000)
	<u>\$3,640,000</u>
Flood Control Assistance Account--State Appropriation	\$1,943,000
State Emergency Water Projects Revolving Account-- State Appropriation	\$240,000
Waste Reduction/Recycling/Litter Control--State Appropriation	(\$12,467,000)
	<u>\$12,440,000</u>
State Drought Preparedness Account--State Appropriation	\$4,000,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$424,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$508,000
Water Rights Tracking System Account--State Appropriation	\$116,000
Site Closure Account--State Appropriation	\$922,000
Wood Stove Education and Enforcement Account--State Appropriation	\$582,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,663,000
State Toxics Control Account--State Appropriation	(\$106,642,000)
	<u>\$106,391,000</u>
State Toxics Control Account--Private/Local	

1	Appropriation	\$379,000
2	Local Toxics Control Account--State	
3	Appropriation	((\$24,690,000))
4		<u>\$24,670,000</u>
5	Water Quality Permit Account--State	
6	Appropriation	((\$37,018,000))
7		<u>\$36,899,000</u>
8	Underground Storage Tank Account--State	
9	Appropriation	((\$3,270,000))
10		<u>\$3,259,000</u>
11	Biosolids Permit Account--State Appropriation	\$1,866,000
12	Hazardous Waste Assistance Account--State	
13	Appropriation	((\$5,880,000))
14		<u>\$5,858,000</u>
15	Air Pollution Control Account--State Appropriation	\$1,565,000
16	Oil Spill Prevention Account--State	
17	Appropriation	((\$10,599,000))
18		<u>\$10,568,000</u>
19	Air Operating Permit Account--State	
20	Appropriation	((\$2,758,000))
21		<u>\$2,748,000</u>
22	Freshwater Aquatic Weeds Account--State Appropriation	\$1,693,000
23	Oil Spill Response Account--State Appropriation	\$7,077,000
24	Metals Mining Account--State Appropriation	\$14,000
25	Water Pollution Control Revolving Account--State	
26	Appropriation	\$535,000
27	Water Pollution Control Revolving Account--Federal	
28	Appropriation	\$2,210,000
29	Water Rights Processing Account--State Appropriation	\$68,000
30	TOTAL APPROPRIATION	((\$437,036,000))
31		<u>\$436,003,000</u>

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

34 (1) \$170,000 of the oil spill prevention account--state
35 appropriation is provided solely for a contract with the University of
36 Washington's sea grant program to continue an educational program
37 targeted to small spills from commercial fishing vessels, ferries,
38 cruise ships, ports, and marinas.

1 (2) \$240,000 of the woodstove education and enforcement
2 account--state appropriation is provided solely for citizen outreach
3 efforts to improve understanding of burn curtailments, the proper use
4 of wood heating devices, and public awareness of the adverse health
5 effects of woodsmoke pollution.

6 (3) \$3,000,000 of the general fund--private/local appropriation is
7 provided solely for contracted toxic-site cleanup actions at sites
8 where multiple potentially liable parties agree to provide funding.

9 (4) \$3,600,000 of the local toxics account--state appropriation is
10 provided solely for the standby emergency rescue tug stationed at Neah
11 Bay.

12 (5) \$811,000 of the state toxics account--state appropriation is
13 provided solely for oversight of toxic cleanup at facilities that
14 treat, store, and dispose of hazardous wastes.

15 (6) \$1,456,000 of the state toxics account--state appropriation is
16 provided solely for toxic cleanup at sites where willing parties
17 negotiate prepayment agreements with the department and provide
18 necessary funding.

19 (7) \$558,000 of the state toxics account--state appropriation and
20 \$3,000,000 of the local toxics account--state appropriation are
21 provided solely for grants and technical assistance to Puget Sound-area
22 local governments engaged in updating shoreline master programs.

23 (8) \$950,000 of the state toxics control account--state
24 appropriation is provided solely for measuring water and habitat
25 quality to determine watershed health and assist salmon recovery,
26 beginning in fiscal year 2011.

27 (9) RCW 70.105.280 authorizes the department to assess reasonable
28 service charges against those facilities that store, treat, incinerate,
29 or dispose of dangerous or extremely hazardous waste that involves both
30 a nonradioactive hazardous component and a radioactive component.
31 Service charges may not exceed the costs to the department in carrying
32 out the duties in RCW 70.105.280. The current service charges do not
33 meet the costs of the department to carry out its duties. Pursuant to
34 RCW 43.135.055 and 70.105.280, the department is authorized to increase
35 the service charges no greater than 18 percent for fiscal year 2010 and
36 no greater than 15 percent for fiscal year 2011. Such service charges
37 shall include all costs of public participation grants awarded to
38 qualified entities by the department pursuant to RCW 70.105D.070(5) for

1 facilities at which such grants are recognized as a component of a
2 community relations or public participation plan authorized or required
3 as an element of a consent order, federal facility agreement or agreed
4 order entered into or issued by the department pursuant to any federal
5 or state law governing investigation and remediation of releases of
6 hazardous substances. Public participation grants funded by such
7 service charges shall be in addition to, and not in place of, any other
8 grants made pursuant to RCW 70.105D.070(5). Costs for the public
9 participation grants shall be billed individually to the mixed waste
10 facility associated with the grant.

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

17 (11) \$63,000 of the state toxics control account--state
18 appropriation is provided solely for implementation of Substitute
19 Senate Bill No. 5797 (solid waste handling permits). If the bill is
20 not enacted by June 30, 2009, the amount provided in this subsection
21 shall lapse.

22 (12) \$225,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$181,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for implementation of Engrossed
25 Second Substitute Bill No. 5560 (agency climate leadership). If the
26 bill is not enacted by June 30, 2009, the amounts provided in this
27 subsection shall lapse.

28 (13) \$150,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$141,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for watershed planning
31 implementation grants to continue ongoing efforts to develop and
32 implement water agreements in the Nooksack Basin and the Bertrand
33 watershed. These amounts are intended to support project
34 administration; monitoring; negotiations in the Nooksack watershed
35 between tribes, the department, and affected water users; continued
36 implementation of a flow augmentation project; plan implementation in
37 the Fishtrap watershed; and the development of a water bank.

1 (14) \$215,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$220,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely to provide watershed planning
4 implementation grants for WRIA 32 to implement Substitute House Bill
5 No. 1580 (pilot local water management program). If the bill is not
6 enacted by June 30, 2009, the amounts provided in this subsection shall
7 lapse.

8 (15) \$200,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$187,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for the purpose of supporting the
11 trust water rights program and processing trust water right transfer
12 applications that improve instream flow.

13 (16)(a) The department shall convene a stock water working group
14 that includes: Legislators, four members representing agricultural
15 interests, three members representing environmental interests, the
16 attorney general or designee, the director of the department of ecology
17 or designee, the director of the department of agriculture or designee,
18 and affected federally recognized tribes shall be invited to send
19 participants.

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

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

26 (17) \$73,000 of the water quality permit account--state
27 appropriation is provided solely to implement Substitute House Bill No.
28 1413 (water discharge fees). If the bill is not enacted by June 30,
29 2009, the amount provided in this subsection shall lapse.

30 (18) The department shall continue to work with the Columbia Snake
31 River irrigators' association to determine how seasonal water operation
32 and maintenance conservation can be utilized. In implementing this
33 proviso, the department shall also consult with the Columbia River
34 policy advisory group as appropriate.

35 (19) The department shall track any changes in costs, wages, and
36 benefits that would have resulted if House Bill No. 1716 (public
37 contract living wages), as introduced in the 2009 regular session of
38 the legislature, were enacted and made applicable to contracts and

1 related subcontracts entered into, renewed, or extended during the
2 2009-11 biennium. The department shall submit a report to the house of
3 representatives commerce and labor committee and the senate labor,
4 commerce, and consumer protection committee by December 1, 2011. The
5 report shall include data on any aggregate changes in wages and
6 benefits that would have resulted during the 2009-11 biennium.

7 (20) Within amounts appropriated in this section the department
8 shall develop recommendations by December 1, 2009, for a convenient and
9 effective mercury-containing light recycling program for residents,
10 small businesses, and small school districts throughout the state. The
11 department shall consider options including but not limited to, a
12 producer-funded program, a recycler-supported or recycle fee program,
13 a consumer fee at the time of purchase, general fund appropriations, or
14 a currently existing dedicated account. The department shall involve
15 and consult with stakeholders including persons who represent
16 retailers, waste haulers, recyclers, mercury-containing light
17 manufacturers or wholesalers, cities, counties, environmental
18 organizations and other interested parties. The department shall
19 report its findings and recommendations for a recycling program for
20 mercury-containing lights to the appropriate committees of the
21 legislature by December 1, 2009.

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

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

1 (23) \$220,000 of the site closure account--state appropriation is
2 provided solely for litigation expenses associated with the lawsuit
3 filed by energy solutions, inc., against the Northwest interstate
4 compact on low-level radioactive waste management and its executive
5 director.

6 (24) \$68,000 of the water rights processing account--state
7 appropriation is provided solely for implementation of Engrossed Second
8 Substitute Senate Bill No. 6267 (water rights processing). If the bill
9 is not enacted by June 30, 2010, the amount provided in this subsection
10 shall lapse.

11 (25) \$10,000 of the state toxics control account--state
12 appropriation is provided solely for implementation of Engrossed
13 Substitute Senate Bill No. 5543 (mercury-containing lights). If the
14 bill is not enacted by June 30, 2010, the amount provided in this
15 subsection shall lapse.

16 (26) \$300,000 of the state toxics control account--state
17 appropriation is provided solely for piloting and evaluating two
18 coordinated, multijurisdictional permitting teams for nontransportation
19 projects.

20 (27)(a) \$4,000,000 of the state drought preparedness account--state
21 appropriation is provided solely for response to a drought declaration
22 pursuant to chapter 43.83B RCW. If such a drought declaration occurs,
23 the department of ecology may provide funding to public bodies as
24 defined in RCW 43.83B.050 in connection with projects and measures
25 designed to alleviate drought conditions that may affect public health
26 and safety, drinking water supplies, agricultural activities, or fish
27 and wildlife survival.

28 (b) Projects or measures for which funding will be provided must be
29 connected with a water system, water source, or water body that is
30 receiving, or has been projected to receive, less than seventy-five
31 percent of normal water supply, as the result of natural drought
32 conditions. This reduction in water supply must be such that it is
33 causing, or will cause, undue hardship for the entities or fish or
34 wildlife depending on the water supply. The department shall issue
35 guidelines outlining grant program and matching fund requirements
36 within ten days of a drought declaration.

37 (28) In accordance with RCW 43.135.055, the department is

1 authorized to increase the fees set forth in and previously authorized
2 in section 302(10), chapter 564, Laws of 2009.

3 (29) In accordance with RCW 43.135.055, the department is
4 authorized to adopt and increase the fees set forth in and previously
5 authorized in sections 3, 5, 7, and 12, chapter 285, Laws of 2010.

6 **Sec. 1202.** 2011 c 5 s 302 (uncodified) is amended to read as
7 follows:

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

9	General Fund--State Appropriation (FY 2010)	\$23,176,000
10	General Fund--State Appropriation (FY 2011)	((\$18,309,000))
11		<u>\$18,275,000</u>
12	General Fund--Federal Appropriation	\$6,892,000
13	General Fund--Private/Local Appropriation	\$73,000
14	Winter Recreation Program Account--State Appropriation . . .	\$1,556,000
15	Off Road Vehicle Account--State Appropriation	\$239,000
16	Snowmobile Account--State Appropriation	\$4,842,000
17	Aquatic Lands Enhancement Account--State Appropriation	\$368,000
18	Recreation Resources Account--State Appropriation	\$9,469,000
19	NOVA Program Account--State Appropriation	\$9,164,000
20	Parks Renewal and Stewardship Account--State	
21	Appropriation	\$72,975,000
22	Parks Renewal and Stewardship Account--Private/Local	
23	Appropriation	\$300,000
24	TOTAL APPROPRIATION	((\$147,363,000))
25		<u>\$147,329,000</u>

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

28 (1) \$79,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$74,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for a grant for the operation of
31 the Northwest avalanche center.

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

35 (3) With the passage of Substitute House Bill No. 2339 (state parks
36 system donation), the legislature finds that it has provided sufficient
37 funds to ensure that all state parks remain open during the 2009-11

1 biennium. The commission shall not close state parks unless the bill
2 is not enacted by June 30, 2009, or revenue collections are
3 insufficient to fund the ongoing operation of state parks. By January
4 10, 2010, the commission shall provide a report to the legislature on
5 their budget and resources related to operating parks for the remainder
6 of the biennium.

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

14 **Sec. 1203.** 2011 c 5 s 303 (uncodified) is amended to read as
15 follows:

16 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

17	General Fund--State Appropriation (FY 2010)	\$1,486,000
18	General Fund--State Appropriation (FY 2011)	(\$1,312,000)
19		<u>\$1,311,000</u>
20	General Fund--Federal Appropriation	\$10,427,000
21	General Fund--Private/Local Appropriation	\$250,000
22	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
23	Firearms Range Account--State Appropriation	\$39,000
24	Recreation Resources Account--State Appropriation	\$2,738,000
25	NOVA Program Account--State Appropriation	\$1,059,000
26	TOTAL APPROPRIATION	(\$17,589,000)
27		<u>\$17,588,000</u>

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

30 (1) \$204,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$194,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for the implementation of
33 Substitute House Bill No. 2157 (salmon recovery). If the bill is not
34 enacted by June 30, 2009, the amounts provided in this subsection shall
35 lapse.

36 (2) The recreation and conservation office, under the direction of
37 the salmon recovery funding board, shall assess watershed and regional-

1 scale capacity issues relating to the support and implementation of
 2 salmon recovery. The assessment shall examine priority setting and
 3 incentives to further promote coordination to ensure that effective and
 4 efficient mechanisms for delivery of salmon recovery funding board
 5 funds are being utilized. The salmon recovery funding board shall
 6 distribute its operational funding to the appropriate entities based on
 7 this assessment.

8 (3) The recreation and conservation office shall negotiate an
 9 agreement with the Puget Sound partnership to consolidate or share
 10 certain administrative functions currently performed by each agency
 11 independently. The agencies shall proportionately share the costs of
 12 such shared functions. Examples of shared functions may include, but
 13 are not limited to, support for personnel, information technology,
 14 grant and contract management, invasive species work, legislative
 15 coordination, and policy and administrative support of various boards
 16 and councils.

17 **Sec. 1204.** 2010 2nd sp.s. c 1 s 305 (uncodified) is amended to
 18 read as follows:

19 **FOR THE ENVIRONMENTAL HEARINGS OFFICE**

20	General Fund--State Appropriation (FY 2010)	\$1,108,000
21	General Fund--State Appropriation (FY 2011)	((\$1,035,000))
22		<u>\$1,034,000</u>
23	TOTAL APPROPRIATION	((\$2,143,000))
24		<u>\$2,142,000</u>

25 The appropriations in this section are subject to the following
 26 conditions and limitations: \$46,000 of the general fund--state
 27 appropriation for fiscal year 2010 is provided solely for tenant
 28 improvement costs associated with moving the office to a new location.

29 **Sec. 1205.** 2010 2nd sp.s. c 1 s 306 (uncodified) is amended to
 30 read as follows:

31 **FOR THE CONSERVATION COMMISSION**

32	General Fund--State Appropriation (FY 2010)	\$7,556,000
33	General Fund--State Appropriation (FY 2011)	((\$6,751,000))
34		<u>\$6,750,000</u>
35	General Fund--Federal Appropriation	\$1,178,000
36	TOTAL APPROPRIATION	((\$15,485,000))

The appropriations in this section are subject to the following conditions and limitations: In order to maintain a high degree of customer service and accountability for conservation districts, \$125,000 is to support the conservation commission's administrative activities related to the processing of conservation district invoices and budgeting.

Sec. 1206. 2011 c 5 s 304 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund--State Appropriation (FY 2010)	\$41,263,000
General Fund--State Appropriation (FY 2011)	(\$30,560,000)
	<u>\$31,053,000</u>
General Fund--Federal Appropriation	\$88,799,000
General Fund--Private/Local Appropriation	\$47,211,000
Off Road Vehicle Account--State Appropriation	\$413,000
Aquatic Lands Enhancement Account--State Appropriation	\$6,739,000
Recreational Fisheries Enhancement--State Appropriation	\$3,472,000
Warm Water Game Fish Account--State Appropriation	\$2,861,000
Eastern Washington Pheasant Enhancement Account-- State Appropriation	\$851,000
Aquatic Invasive Species Enforcement Account--State Appropriation	\$207,000
Aquatic Invasive Species Prevention Account--State Appropriation	\$833,000
Wildlife Account--State Appropriation	\$86,998,000
Wildlife Account--Federal Appropriation	\$101,000
Wildlife Account--Private/Local Appropriation	\$39,000
Game Special Wildlife Account--State Appropriation	\$2,367,000
Game Special Wildlife Account--Federal Appropriation	\$3,426,000
Game Special Wildlife Account--Private/Local Appropriation	\$487,000
Wildlife Rehabilitation Account--State Appropriation	\$269,000
Regional Fisheries Salmonid Recovery Account-- Federal Appropriation	\$5,001,000
Oil Spill Prevention Account--State Appropriation	\$876,000

1	Oyster Reserve Land Account--State Appropriation	\$916,000
2	TOTAL APPROPRIATION	(\$323,689,000)
3		<u>\$324,182,000</u>

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

6 (1) \$294,000 of the aquatic lands enhancement account--state
7 appropriation is provided solely for the implementation of hatchery
8 reform recommendations defined by the hatchery scientific review group.

9 (2) \$355,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$422,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the department to implement a
12 pilot project with the Confederated Tribes of the Colville Reservation
13 to develop expanded recreational fishing opportunities on Lake Rufus
14 Woods and its northern shoreline and to conduct joint enforcement of
15 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
16 state and tribal intergovernmental agreements developed under the
17 Columbia River water supply program. For the purposes of the pilot
18 project:

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

22 (b) The Colville Tribes have agreed to provide to holders of its
23 nontribal member fishing permits a means to demonstrate that fish in
24 their possession were lawfully taken in Lake Rufus Woods;

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

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

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

35 (3) Prior to submitting its 2011-2013 biennial operating and
36 capital budget request related to state fish hatcheries to the office
37 of financial management, the department shall contract with the
38 hatchery scientific review group (HSRG) to review this request. This

1 review shall: (a) Determine if the proposed requests are consistent
2 with HSRG recommendations; (b) prioritize the components of the
3 requests based on their contributions to protecting wild salmonid
4 stocks and meeting the recommendations of the HSRG; and (c) evaluate
5 whether the proposed requests are being made in the most cost effective
6 manner. The department shall provide a copy of the HSRG review to the
7 office of financial management with their agency budget proposal.

8 (4) Within existing funds, the department shall continue
9 implementing its capital program action plan dated September 1, 2007,
10 including the purchase of the necessary maintenance and support costs
11 for the capital programs and engineering tools. The department shall
12 report to the office of financial management and the appropriate
13 committees of the legislature, its progress in implementing the plan,
14 including improvements instituted in its capital program, by September
15 30, 2010.

16 (5) \$1,232,000 of the state wildlife account--state appropriation
17 is provided solely to implement Substitute House Bill No. 1778 (fish
18 and wildlife). If the bill is not enacted by June 30, 2009, the amount
19 provided in this subsection shall lapse.

20 (6) \$400,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$400,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for a state match to support the
23 Puget Sound nearshore partnership between the department and the U.S.
24 army corps of engineers.

25 (7) \$50,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$50,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for removal of derelict gear in
28 Washington waters.

29 (8) The department of fish and wildlife shall dispose of all Cessna
30 aircraft it currently owns. The proceeds from the aircraft shall be
31 deposited into the state wildlife account. Disposal of the aircraft
32 must occur no later than June 30, 2010. The department shall
33 coordinate with the department of natural resources on the installation
34 of fire surveillance equipment into its Partenavia aircraft. The
35 department shall make its Partenavia aircraft available to the
36 department of natural resources on a cost-reimbursement basis for its
37 use in coordinating fire suppression efforts. The two agencies shall

1 develop an interagency agreement that defines how they will share
2 access to the plane.

3 (9) \$50,000 of the general fund--state appropriation for fiscal
4 year 2010 is provided solely for an electron project fish passage study
5 consistent with the recommendations and protocols contained in the 2008
6 electron project downstream fish passage final report.

7 (10) \$60,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$60,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for implementation of Engrossed
10 Second Substitute Bill No. 5560 (agency climate leadership). If the
11 bill is not enacted by June 30, 2009, the amounts provided in this
12 subsection shall lapse.

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

25 (12) \$100,000 of the eastern Washington pheasant enhancement
26 account--state appropriation is provided solely for the department to
27 support efforts to enhance permanent and temporary pheasant habitat on
28 public and private lands in Grant, Franklin, and Adams counties. The
29 department may support efforts by entities including conservation
30 districts, nonprofit organizations, and landowners, and must require
31 such entities to provide significant nonstate matching resources, which
32 may be in the form of funds, material, or labor.

33 (13) Within the amounts appropriated in this section, the
34 department of fish and wildlife shall develop a method for allocating
35 its administrative and overhead costs proportionate to program fund
36 use. As part of its 2011-2013 biennial operating budget, the
37 department shall submit a decision package that rebalances expenditure
38 authority for all agency funds based upon proportionate contributions.

1 (14) Within the amounts appropriated in this section, the
2 department shall identify additional opportunities for partnerships in
3 order to keep fish hatcheries operational. Such partnerships shall aim
4 to maintain fish production and salmon recovery with less reliance on
5 state operating funds.

6 (15) Within the amounts appropriated in this section, the
7 department shall work with stakeholders to develop a long-term funding
8 model that sustains the department's work of conserving species and
9 habitat, providing sustainable recreational and commercial
10 opportunities and using sound business practices. The funding model
11 analysis shall assess the appropriate uses of each fund source and
12 whether the department's current and projected revenue levels are
13 adequate to sustain its current programs. The department shall report
14 its recommended funding model including supporting analysis and
15 stakeholder participation summary to the office of financial management
16 and the appropriate committees of the legislature by October 1, 2010.

17 (16) By October 1, 2010, the department shall enter into an
18 interagency agreement with the department of natural resources for land
19 management services for the department's wildlife conservation and
20 recreation lands. Land management services may include but are not
21 limited to records management, real estate services such as surveying,
22 and land acquisition and disposal services. The interagency agreement
23 shall describe business processes, service delivery expectations, cost,
24 and timing. In the agreement, the department shall define its roles
25 and responsibilities. A draft agreement shall be submitted to the
26 office of financial management and the appropriate fiscal committees of
27 the legislature by July 1, 2010.

28 (17) Prior to opening game management unit 490 to public hunting,
29 the department shall complete an environmental impact statement that
30 includes an assessment of how public hunting activities will impact the
31 ongoing protection of the public water supply.

32 (18) The department must work with appropriate stakeholders to
33 facilitate the disposition of salmon to best utilize the resource,
34 increase revenues to regional fisheries enhancement groups, and enhance
35 the provision of nutrients to food banks. By November 1, 2010, the
36 department must provide a report to the appropriate committees of the
37 legislature summarizing these discussions, outcomes, and
38 recommendations. After November 1, 2010, the department shall not

1 solicit or award a surplus salmon disposal contract without first
2 giving due consideration to implementing the recommendations developed
3 during the stakeholder process.

4 (19) \$50,000 of the general fund--state appropriation for fiscal
5 year 2011 is provided solely for increased fish production at Voight
6 Creek hatchery.

7 **Sec. 1207.** 2011 c 5 s 305 (uncodified) is amended to read as
8 follows:

9 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

10	General Fund--State Appropriation (FY 2010)	\$48,822,000
11	General Fund--State Appropriation (FY 2011)	((\$37,321,000))
12		<u>\$37,302,000</u>
13	General Fund--Federal Appropriation	\$28,784,000
14	General Fund--Private/Local Appropriation	\$2,369,000
15	Forest Development Account--State Appropriation	\$41,640,000
16	Off Road Vehicle Account--State Appropriation	\$4,406,000
17	Surveys and Maps Account--State Appropriation	\$2,332,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation	\$8,315,000
20	Resources Management Cost Account--State	
21	Appropriation	\$78,704,000
22	Surface Mining Reclamation Account--State	
23	Appropriation	\$3,494,000
24	Disaster Response Account--State Appropriation	\$5,000,000
25	Forest and Fish Support Account--State Appropriation	\$8,000,000
26	Aquatic Land Dredged Material Disposal Site	
27	Account--State Appropriation	\$1,333,000
28	Natural Resources Conservation Areas Stewardship	
29	Account--State Appropriation	\$184,000
30	State Toxics Control Account--State Appropriation	\$720,000
31	Air Pollution Control Account--State Appropriation	\$478,000
32	NOVA Program Account--State Appropriation	\$974,000
33	Derelict Vessel Removal Account--State Appropriation	\$1,749,000
34	Agricultural College Trust Management Account--	
35	State Appropriation	\$1,941,000
36	TOTAL APPROPRIATION	((\$276,566,000))
37		<u>\$276,547,000</u>

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

3 (1) \$1,355,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$327,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for deposit into the agricultural
6 college trust management account and are provided solely to manage
7 approximately 70,700 acres of Washington State University's
8 agricultural college trust lands.

9 (2) \$22,670,000 of the general fund--state appropriation for fiscal
10 year 2010, \$15,089,000 of the general fund--state appropriation for
11 fiscal year 2011, and \$5,000,000 of the disaster response account--
12 state appropriation are provided solely for emergency fire suppression.
13 None of the general fund and disaster response account amounts provided
14 in this subsection may be used to fund agency indirect and
15 administrative expenses. Agency indirect and administrative costs
16 shall be allocated among the agency's remaining accounts and
17 appropriations. The department of natural resources shall submit a
18 quarterly report to the office of financial management and the
19 legislative fiscal committees detailing information on current and
20 planned expenditures from the disaster response account. This work
21 shall be done in coordination with the military department.

22 (3) \$5,000,000 of the forest and fish support account--state
23 appropriation is provided solely for adaptive management, monitoring,
24 and participation grants to tribes. If federal funding for this
25 purpose is reinstated, the amount provided in this subsection shall
26 lapse.

27 (4) \$600,000 of the derelict vessel removal account--state
28 appropriation is provided solely for removal of derelict and abandoned
29 vessels that have the potential to contaminate Puget Sound.

30 (5) \$666,000 of the general fund--federal appropriation is provided
31 solely to implement House Bill No. 2165 (forest biomass energy
32 project). If the bill is not enacted by June 30, 2009, the amount
33 provided in this subsection shall lapse.

34 (6) \$5,000 of the general fund--state appropriation for fiscal year
35 2010 and \$5,000 of the general fund--state appropriation for fiscal
36 year 2011 are provided solely to implement Substitute House Bill No.
37 1038 (specialized forest products). If the bill is not enacted by June
38 30, 2009, the amounts provided in this subsection shall lapse.

1 (7) \$440,000 of the state general fund--state appropriation for
2 fiscal year 2010 and \$440,000 of the state general fund--state
3 appropriation for fiscal year 2011 are provided solely for forest work
4 crews that support correctional camps and are contingent upon
5 continuing operations of Naselle youth camp at the level provided in
6 fiscal year 2008. The department shall consider using up to \$2,000,000
7 of the general fund--federal appropriation to support and utilize
8 correctional camp crews to implement natural resource projects approved
9 by the federal government for federal stimulus funding.

10 (8) The department of natural resources shall dispose of the King
11 Air aircraft it currently owns. Before disposal and within existing
12 funds, the department shall transfer specialized equipment for fire
13 surveillance to the department of fish and wildlife's Partenavia
14 aircraft. Disposal of the aircraft must occur no later than June 30,
15 2010, and the proceeds from the sale of the aircraft shall be deposited
16 into the forest and fish support account.

17 (9) \$30,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$28,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for implementation of Engrossed
20 Second Substitute Bill No. 5560 (agency climate leadership). If the
21 bill is not enacted by June 30, 2009, the amounts provided in this
22 subsection shall lapse.

23 (10) \$1,030,000 of the aquatic lands enhancement account--state
24 appropriation for fiscal year 2011 is provided solely for continuing
25 scientific studies already underway as part of the adaptive management
26 process. Funds may not be used to initiate new studies unless the
27 department secures new federal funding for the adaptive management
28 process.

29 (11) Within available funds, the department of natural resources
30 shall review the statutory method for determining aquatic lands lease
31 rates for private marinas, public marinas not owned and operated by
32 port districts, yacht clubs, and other entities leasing state land for
33 boat moorage. The review shall consider alternative methods for
34 determining rents for these entities for a fair distribution of rent,
35 consistent with the department management mandates for state aquatic
36 lands.

37 (12) \$37,000 of the general fund--state appropriation for fiscal
38 year 2011 and \$100,000 of the aquatic lands enhancement account--state

1 appropriation are provided solely to install up to twenty mooring buoys
2 in Eagle Harbor and to remove abandoned boats, floats, and other
3 trespassing structures.

4 (13) By October 1, 2010, the department shall enter into an
5 interagency agreement with the department of fish and wildlife for
6 providing land management services on the department of fish and
7 wildlife's wildlife conservation and recreation lands. Land management
8 services may include but are not limited to records management, real
9 estate services such as surveying, and land acquisition and disposal
10 services. The interagency agreement shall describe business processes,
11 service delivery expectations, cost, and timing. A draft agreement
12 shall be submitted to the office of financial management and the
13 appropriate fiscal committees of the legislature by July 1, 2010.

14 (14) \$41,000 of the forest development account--state
15 appropriation, \$44,000 of the resources management cost account--state
16 appropriation, and \$2,000 of the agricultural college trust management
17 account--state appropriation are provided solely for the implementation
18 of Second Substitute House Bill No. 2481 (DNR forest biomass
19 agreements). If the bill is not enacted by June 30, 2010, the amount
20 provided in this subsection shall lapse.

21 **Sec. 1208.** 2011 c 5 s 306 (uncodified) is amended to read as
22 follows:

23 **FOR THE DEPARTMENT OF AGRICULTURE**

24 General Fund--State Appropriation (FY 2010)	\$12,320,000
25 General Fund--State Appropriation (FY 2011)	(\$15,391,000)
26	<u>\$15,366,000</u>
27 General Fund--Federal Appropriation	\$21,047,000
28 General Fund--Private/Local Appropriation	\$193,000
29 Aquatic Lands Enhancement Account--State Appropriation . . .	\$2,564,000
30 State Toxics Control Account--State Appropriation	\$4,724,000
31 Water Quality Permit Account--State Appropriation	\$61,000
32 TOTAL APPROPRIATION	(\$56,300,000)
33	<u>\$56,275,000</u>

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

36 (1) \$350,000 of the aquatic lands enhancement account appropriation

1 is provided solely for funding to the Pacific county noxious weed
2 control board to eradicate remaining spartina in Willapa Bay.

3 (2) \$19,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$6,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely to implement Substitute Senate
6 Bill No. 5797 (solid waste handling permits). If the bill is not
7 enacted by June 30, 2009, the amounts provided in this subsection shall
8 lapse.

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

14 (4) \$5,179,000 of the general fund--state appropriation for fiscal
15 year 2011 and \$2,782,000 of the general fund--federal appropriation are
16 provided solely for implementation of Substitute Senate Bill No. 6341
17 (food assistance/department of agriculture). Within amounts
18 appropriated in this subsection, \$65,000 of the general fund--state
19 appropriation for fiscal year 2011 is provided solely for a contract
20 with a food distribution program for communities in the southwestern
21 portion of the state and for workers impacted by timber and salmon
22 fishing closures and reductions. The department may not charge
23 administrative overhead or expenses to this contract. If the bill is
24 not enacted by June 30, 2010, the amounts provided in this subsection
25 shall lapse.

26 (5) The department shall, if public or private funds are available,
27 partner with eligible public and private entities with experience in
28 food collection and distribution to review funding sources for eight
29 full-time volunteers in the AmeriCorps VISTA program to conduct
30 outreach to local growers, agricultural donors, and community
31 volunteers. Public and private partners shall also be utilized to
32 coordinate gleaning unharvested tree fruits and fresh produce for
33 distribution to individuals throughout Washington state.

34 (6) When reducing laboratory activities and functions, the
35 department shall not impact any research or analysis pertaining to
36 bees.

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

6 (6) The Puget Sound partnership shall negotiate an agreement with
7 the recreation and conservation office to consolidate or share certain
8 administrative functions currently performed by each agency
9 independently. The agencies shall proportionately share the costs of
10 such shared functions. Examples of shared functions may include, but
11 are not limited to, support for personnel, information technology,
12 grant and contract management, invasive species work, legislative
13 coordination, and policy and administrative support of various boards
14 and councils.

(End of part)

PART XIII
TRANSPORTATION

Sec. 1301. 2011 c 5 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2010)	\$1,436,000
General Fund--State Appropriation (FY 2011)	(\$1,322,000)
	<u>\$1,320,000</u>
Architects' License Account--State Appropriation	\$923,000
Professional Engineers' Account--State	
Appropriation	\$3,568,000
Real Estate Commission Account--State Appropriation	\$9,987,000
Master License Account--State Appropriation	\$15,718,000
Uniform Commercial Code Account--State Appropriation	\$3,090,000
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation	\$1,683,000
Business and Professions Account--State Appropriation	\$15,188,000
Real Estate Research Account--State Appropriation	\$471,000
Geologists' Account--State Appropriation	\$53,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	(\$53,746,000)
	<u>\$53,744,000</u>

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

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

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

(3) \$358,000 of the business and professions account--state appropriation is provided solely to implement Senate Bill No. 6126

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

3 (4) \$151,000 of the real estate research account appropriation is
4 provided solely to implement chapter 156, Laws of 2010 (real estate
5 broker licensure fees).

6 (5) \$158,000 of the architects' license account--state
7 appropriation is provided solely to implement chapter 129, Laws of 2010
8 (architect licensing).

9 (6) \$60,000 of the master license account--state appropriation is
10 provided solely to implement chapter 174, Laws of 2010 (vaccine
11 association). The amount provided in this subsection shall be from fee
12 revenue authorized in chapter 174, Laws of 2010.

13 **Sec. 1302.** 2011 c 5 s 402 (uncodified) is amended to read as
14 follows:

15 **FOR THE STATE PATROL**

16	General Fund--State Appropriation (FY 2010)	\$38,977,000
17	General Fund--State Appropriation (FY 2011)	(\$33,292,000)
18		<u>\$32,867,000</u>
19	General Fund--Federal Appropriation	\$15,793,000
20	General Fund--Private/Local Appropriation	\$4,986,000
21	Death Investigations Account--State Appropriation	\$5,580,000
22	Enhanced 911 Account--State Appropriation	\$603,000
23	County Criminal Justice Assistance Account--State	
24	Appropriation	\$3,146,000
25	Municipal Criminal Justice Assistance Account--State	
26	Appropriation	\$1,255,000
27	Fire Service Trust Account--State Appropriation	\$131,000
28	Disaster Response Account--State Appropriation	\$8,002,000
29	Fire Service Training Account--State Appropriation	\$8,821,000
30	Aquatic Invasive Species Enforcement Account--State	
31	Appropriation	\$54,000
32	State Toxics Control Account--State Appropriation	\$509,000
33	Fingerprint Identification Account--State	
34	Appropriation	\$10,454,000
35	TOTAL APPROPRIATION	(\$131,603,000)
36		<u>\$131,178,000</u>

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

3 (1) \$200,000 of the fire service training account--state
4 appropriation is provided solely for two FTEs in the office of the
5 state director of fire protection to exclusively review K-12
6 construction documents for fire and life safety in accordance with the
7 state building code. It is the intent of this appropriation to provide
8 these services only to those districts that are located in counties
9 without qualified review capabilities.

10 (2) \$8,000,000 of the disaster response account--state
11 appropriation is provided solely for Washington state fire service
12 resource mobilization costs incurred in response to an emergency or
13 disaster authorized under RCW 43.43.960 and 43.43.964. The state
14 patrol shall submit a report quarterly to the office of financial
15 management and the legislative fiscal committees detailing information
16 on current and planned expenditures from this account. This work shall
17 be done in coordination with the military department.

18 (3) The 2010 legislature will review the use of king air planes by
19 the executive branch and the adequacy of funding in this budget
20 regarding maintaining and operating the planes to successfully
21 accomplish their mission.

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

28 (5) \$400,000 of the fire service training account--state
29 appropriation is provided solely for the firefighter apprenticeship
30 training program.

31 (6) \$48,000 of the fingerprint identification account--state
32 appropriation is provided solely to implement Substitute House Bill No.
33 1621 (consumer loan companies). If the bill is not enacted by June 30,
34 2009, the amounts provided in this subsection shall lapse.

35 (7) In accordance with RCW 43.43.942, 46.52.085, and 43.135.055,
36 the state patrol is authorized to increase the following fees in fiscal
37 year 2011 as necessary to meet the actual costs of conducting business

1 and the appropriation levels in this section: Collision records
2 requests; fire training academy courses; and fire training academy dorm
3 accommodations.

4 (8) \$24,000 of the fingerprint identification account--state
5 appropriation is provided solely for implementation of chapter 47, Laws
6 of 2010 (criminal background checks).

(End of part)

PART XIV
EDUCATION

Sec. 1401. 2011 c 5 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2010)	\$35,415,000
General Fund--State Appropriation (FY 2011)	(\$30,196,000)
	<u>\$30,136,000</u>
General Fund--Federal Appropriation	\$87,081,000
TOTAL APPROPRIATION	(\$152,692,000)
	<u>\$152,632,000</u>

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

(1) A maximum of \$23,096,000 of the general fund--state appropriation for fiscal year 2010 and \$20,070,000 of the general fund--state appropriation for fiscal year 2011 is for state agency operations.

(a) \$11,226,000 of the general fund--state appropriation for fiscal year 2010 and \$9,709,000 of the general fund--state appropriation for fiscal year 2011 are for the operation and expenses of the office of the superintendent of public instruction.

(i) 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.

(ii) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction, consistent with WAC 392-121-182 (alternative learning experience requirements) which requires documentation of alternative learning experience student headcount and full-time equivalent (FTE) enrollment claimed for basic education funding, shall provide, monthly, accurate monthly headcount and FTE enrollments for students in alternative learning experience (ALE) programs as well as information about resident and serving districts.

1 (iii) Within amounts provided in this subsection (1)(a), the state
2 superintendent of public instruction shall share best practices with
3 school districts regarding strategies for increasing efficiencies and
4 economies of scale in school district noninstructional operations
5 through shared service arrangements and school district cooperatives,
6 as well as other practices.

7 (b) \$25,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided to the office of the superintendent of public
9 instruction solely to convene a science, technology, engineering, and
10 mathematics (STEM) working group to develop a comprehensive plan with
11 a shared vision, goals, and measurable objectives to improve policies
12 and practices to ensure that a pathway is established for elementary
13 schools, middle schools, high schools, postsecondary degree programs,
14 and careers in the areas of STEM, including improving practices for
15 recruiting, preparing, hiring, retraining, and supporting teachers and
16 instructors while creating pathways to boost student success, close the
17 achievement gap, and prepare every student to be college and career
18 ready. The working group shall be composed of the director of STEM at
19 the office of the superintendent of public instruction who shall be the
20 chair of the working group, and at least one representative from the
21 state board of education, professional educator standards board, state
22 board of community and technical colleges, higher education
23 coordinating board, workforce training and education coordinating
24 board, the achievement gap oversight and accountability committee, and
25 others with appropriate expertise. The working group shall develop a
26 comprehensive plan and a report with recommendations, including a
27 timeline for specific actions to be taken, which is due to the governor
28 and the appropriate committees of the legislature by December 1, 2010.

29 (c) \$920,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$491,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for research and development
32 activities associated with the development of options for new school
33 finance systems, including technical staff, reprogramming, and analysis
34 of alternative student funding formulae. Within this amount is
35 \$150,000 for the state board of education for further development of
36 accountability systems, and \$150,000 for the professional educator
37 standards board for continued development of teacher certification and
38 evaluation systems.

1 (d) \$965,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$887,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the operation and expenses of
4 the state board of education, including basic education assistance
5 activities.

6 (e) \$5,366,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$3,103,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely to the professional educator
9 standards board for the following:

10 (i) \$1,070,000 in fiscal year 2010 and \$985,000 in fiscal year 2011
11 are for the operation and expenses of the Washington professional
12 educator standards board;

13 (ii) \$4,106,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$1,936,000 of the general fund--state appropriation for
15 fiscal year 2011 are for conditional scholarship loans and mentor
16 stipends provided through the alternative routes to certification
17 program administered by the professional educator standards board,
18 including the pipeline for paraeducators program and the retooling to
19 teach conditional loan programs. Funding within this subsection
20 (1)(f)(ii) is also provided for the recruiting Washington teachers
21 program.

22 (iii) \$102,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided for the implementation of Second Substitute
24 Senate Bill No. 5973 (student achievement gap). \$94,000 of the general
25 fund--state appropriation for fiscal year 2011 is provided solely for
26 the ongoing work of the achievement gap oversight and accountability
27 committee and implementation of the committee's recommendations.

28 (f) \$1,349,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$144,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for replacement of the
31 apportionment system, which includes the processes that collect school
32 district budget and expenditure information, staffing characteristics,
33 and the student enrollments that drive the funding process.

34 (g) \$1,140,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$1,227,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the creation of a statewide
37 data base of longitudinal student information. This amount is

1 conditioned on the department satisfying the requirements in section
2 902 of this act.

3 (h) \$75,000 of the general fund--state appropriation for fiscal
4 year 2010 is provided solely to promote the financial literacy of
5 students. The effort will be coordinated through the financial
6 education public-private partnership. It is expected that
7 nonappropriated funds available to the public-private partnership will
8 be sufficient to continue financial literacy activities.

9 (i) To the maximum extent possible, in adopting new agency rules or
10 making any changes to existing rules or policies related to the fiscal
11 provisions in the administration of part V of this act, the office of
12 the superintendent of public instruction shall attempt to request
13 approval through the normal legislative budget process.

14 (j) \$44,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$45,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the implementation of
17 Substitute Senate Bill No. 5248 (enacting the interstate compact on
18 educational opportunity for military children).

19 (k) \$700,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$700,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for the implementation of
22 Substitute Senate Bill No. 5410 (online learning).

23 (l) \$25,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$12,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for project citizen, a program
26 sponsored by the national conference of state legislatures and the
27 center for civic education to promote participation in government by
28 middle school students.

29 (m) \$2,518,000 of the general fund--state appropriation for fiscal
30 year 2011 is provided solely for the implementation of Substitute House
31 Bill No. 2776 (K-12 education funding). If the bill is not enacted by
32 June 30, 2010, the amount provided in this subsection shall lapse.

33 (n) \$89,000 of the general fund--state appropriation for fiscal
34 year 2011 is provided solely for the implementation of Engrossed Second
35 Substitute House Bill No. 3026 (state and federal civil rights laws).
36 If the bill is not enacted by June 30, 2010, the amount provided in
37 this subsection shall lapse.

1 (o) Beginning in the 2010-11 school year, the superintendent of
2 public instruction shall require all districts receiving general
3 apportionment funding for alternative learning experience (ALE)
4 programs as defined in WAC 392-121-182 to provide separate financial
5 accounting of expenditures for the ALE programs offered in district or
6 with a provider, including but not limited to private companies and
7 multidistrict cooperatives.

8 (p) \$55,000 of the general fund--state appropriation for fiscal
9 year 2011 is provided to the office of the superintendent of public
10 instruction solely to convene a technical working group to establish
11 standards, guidelines, and definitions for what constitutes a basic
12 education program for highly capable students and the appropriate
13 funding structure for such a program, and to submit recommendations to
14 the legislature for consideration. The working group may convene
15 advisory subgroups on specific topics as necessary to assure
16 participation and input from a broad array of diverse stakeholders.
17 The working group must consult with and seek input from nationally
18 recognized experts; researchers and academics on the unique
19 educational, emotional, and social needs of highly capable students and
20 how to identify such students; representatives of national
21 organizations and associations for educators of or advocates for highly
22 capable students; school district representatives who are educators,
23 counselors, and classified school employees involved with highly
24 capable programs; parents of students who have been identified as
25 highly capable; representatives from the federally recognized tribes;
26 and representatives of cultural, linguistic, and racial minority groups
27 and the community of persons with disabilities. The working group
28 shall make recommendations to the quality education council and to
29 appropriate committees of the legislature by December 1, 2010. The
30 recommendations shall take into consideration that access to the
31 program for highly capable students is not an individual entitlement
32 for any particular student. The recommendations shall seek to minimize
33 underrepresentation of any particular demographic or socioeconomic
34 group by better identification, not lower standards or quotas, and
35 shall include the following:

36 (i) Standardized state-level identification procedures, standards,
37 criteria, and benchmarks, including a definition or definitions of a

1 highly capable student. Students who are both highly capable and are
2 students of color, are poor, or have a disability must be addressed;

3 (ii) Appropriate programs and services that have been shown by
4 research and practice to be effective with highly capable students but
5 maintain options and flexibility for school districts, where possible;

6 (iii) Program administration, management, and reporting
7 requirements for school districts;

8 (iv) Appropriate educator qualifications, certification
9 requirements, and professional development and support for educators
10 and other staff who are involved in programs for highly capable
11 students;

12 (v) Self-evaluation models to be used by school districts to
13 determine the effectiveness of the program and services provided by the
14 school district for highly capable programs;

15 (vi) An appropriate state-level funding structure; and

16 (vii) Other topics deemed to be relevant by the working group.

17 (q) \$1,000,000 of the general fund--state appropriation for fiscal
18 year 2011 is provided solely for contracting with a college scholarship
19 organization with expertise in conducting outreach to students
20 concerning eligibility for the Washington college bound scholarship
21 consistent with chapter 405, Laws of 2007.

22 (r) \$24,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided solely for implementation of Substitute Senate
24 Bill No. 6759 (requiring a plan for a voluntary program of early
25 learning as a part of basic education). If the bill is not enacted by
26 June 30, 2010, the amounts provided in this subsection (1)(r) shall
27 lapse.

28 (s) \$950,000 of the general fund--state appropriation for fiscal
29 year 2010 (~~is~~) and \$150,000 of the general fund--state appropriation
30 for fiscal year 2011 are provided solely for office of the attorney
31 general costs related to *McCleary v. State of Washington*.

32 (2) \$12,320,000 of the general fund--state appropriation for fiscal
33 year 2010, \$10,127,000 of the general fund--state appropriation for
34 fiscal year 2011, and \$55,890,000 of the general fund--federal
35 appropriation are for statewide programs.

36 (a) HEALTH AND SAFETY

37 (i) \$2,541,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$2,381,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a corps of nurses located at
2 educational service districts, as determined by the superintendent of
3 public instruction, to be dispatched to the most needy schools to
4 provide direct care to students, health education, and training for
5 school staff.

6 (ii) \$100,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$94,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for a school safety training
9 program provided by the criminal justice training commission. The
10 commission, in collaboration with the school safety center advisory
11 committee, shall provide the school safety training for all school
12 administrators and school safety personnel, including school safety
13 personnel hired after the effective date of this section.

14 (iii) \$9,670,000 of the general fund--federal appropriation is
15 provided for safe and drug free schools and communities grants for drug
16 and violence prevention activities and strategies.

17 (iv) \$96,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$90,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for the school safety center in
20 the office of the superintendent of public instruction subject to the
21 following conditions and limitations:

22 (A) The safety center shall: Disseminate successful models of
23 school safety plans and cooperative efforts; provide assistance to
24 schools to establish a comprehensive safe school plan; select models of
25 cooperative efforts that have been proven successful; act as an
26 information dissemination and resource center when an incident occurs
27 in a school district either in Washington or in another state;
28 coordinate activities relating to school safety; review and approve
29 manuals and curricula used for school safety models and training; and
30 develop and maintain a school safety information web site.

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

34 (v) \$70,000 of the general fund--state appropriation for fiscal
35 year 2010 is provided solely for the youth suicide prevention program.

36 (vi) \$50,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$47,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a nonviolence and leadership
2 training program provided by the institute for community leadership.

3 (b) TECHNOLOGY

4 (i) \$1,842,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$1,635,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for K-20 telecommunications
7 network technical support in the K-12 sector to prevent system failures
8 and avoid interruptions in school utilization of the data processing
9 and video-conferencing capabilities of the network. These funds may be
10 used to purchase engineering and advanced technical support for the
11 network.

12 (ii) \$1,475,000 of the general fund--state appropriation for fiscal
13 year 2010, \$1,045,000 of the general fund--state appropriation for
14 fiscal year 2011, and \$435,000 of the general fund--federal
15 appropriation are provided solely for implementing a comprehensive data
16 system to include financial, student, and educator data. The office of
17 the superintendent of public instruction will convene a data governance
18 group to create a comprehensive needs-requirement document, conduct a
19 gap analysis, and define operating rules and a governance structure for
20 K-12 data collections.

21 (c) GRANTS AND ALLOCATIONS

22 (i) \$1,329,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$664,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for the special services pilot
25 project to include up to seven participating districts. The office of
26 the superintendent of public instruction shall allocate these funds to
27 the district or districts participating in the pilot program according
28 to the provisions of RCW 28A.630.016.

29 (ii) \$750,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$750,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the Washington state achievers
32 scholarship program. The funds shall be used to support community
33 involvement officers that recruit, train, and match community volunteer
34 mentors with students selected as achievers scholars.

35 (iii) \$25,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for developing and disseminating
37 curriculum and other materials documenting women's role in World War
38 II.

1 (iv) \$175,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$87,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for incentive grants for districts
4 and pilot projects to develop preapprenticeship programs. Incentive
5 grant awards up to \$10,000 each shall be used to support the program's
6 design, school/business/labor agreement negotiations, and recruiting
7 high school students for preapprenticeship programs in the building
8 trades and crafts.

9 (v) \$2,898,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$2,924,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the dissemination of the
12 navigation 101 curriculum to all districts. The funding shall support
13 electronic student planning tools and software for analyzing the impact
14 of navigation 101 on student performance, as well as grants to a
15 maximum of one hundred school districts each year, based on progress
16 and need for the implementation of the navigation 101 program. The
17 implementation grants shall be awarded to a cross-section of school
18 districts reflecting a balance of geographic and demographic
19 characteristics. Within the amounts provided, the office of the
20 superintendent of public instruction will create a navigation 101
21 accountability model to analyze the impact of the program.

22 (vi) \$627,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$225,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for implementation of a statewide
25 program for comprehensive dropout prevention, intervention, and
26 retrieval.

27 (vii) \$40,000 of the general fund--state appropriation for fiscal
28 year 2010 is provided solely for program initiatives to address the
29 educational needs of Latino students and families. Using the full
30 amounts of the appropriations under this subsection (2)(c)(vii), the
31 office of the superintendent of public instruction shall contract with
32 the Seattle community coalition of compaña quetzal to provide for three
33 initiatives: (A) Early childhood education; (B) parent leadership
34 training; and (C) high school success and college preparation programs.

35 (viii) \$60,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for a pilot project to encourage bilingual
37 high school students to pursue public school teaching as a profession.
38 Using the full amounts of the appropriation under this subsection, the

1 office of the superintendent of public instruction shall contract with
 2 the Latino/a educational achievement project (LEAP) to work with school
 3 districts to identify and mentor not fewer than fifty bilingual
 4 students in their junior year of high school, encouraging them to
 5 become bilingual instructors in schools with high English language
 6 learner populations. Students shall be mentored by bilingual teachers
 7 and complete a curriculum developed and approved by the participating
 8 districts.

9 (ix) \$145,000 of the general fund--state appropriation for fiscal
 10 year 2010 and \$37,000 of the general fund--state appropriation for
 11 fiscal year 2011 are provided solely to the office of the
 12 superintendent of public instruction to enhance the reading skills of
 13 students with dyslexia by implementing the findings of the dyslexia
 14 pilot program. Funds shall be used to provide information and training
 15 to classroom teachers and reading specialists, for development of a
 16 dyslexia handbook, and to take other statewide actions to improve the
 17 reading skills of students with dyslexia. The training program shall
 18 be delivered regionally through the educational service districts.

19 (x) \$97,000 of the general fund--state appropriation for fiscal
 20 year 2010 and \$48,000 of the general fund--state appropriation for
 21 fiscal year 2011 are provided solely to support vocational student
 22 leadership organizations.

23 (xi) \$100,000 of the general fund--state appropriation for fiscal
 24 year 2011 is provided solely for drop-out prevention programs at the
 25 office of the superintendent of public instruction including the jobs
 26 for America's graduates (JAG) program.

27 **Sec. 1402.** 2011 c 5 s 502 (uncodified) is amended to read as
 28 follows:

29 FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL	
30 APPORTIONMENT	
31	General Fund--State Appropriation (FY 2010) \$5,126,153,000
32	General Fund--State Appropriation (FY 2011) ((\$4,887,369,000))
33	<u>\$4,748,555,000</u>
34	General Fund--Federal Appropriation \$208,098,000
35	TOTAL APPROPRIATION ((\$10,221,620,000))
36	<u>\$10,082,806,000</u>

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

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

6 (b) The appropriations in this section include federal funds
7 provided through section 101 of Public Law No. 111-226 (education jobs
8 fund), which shall be used to support general apportionment program
9 funding. In distributing general apportionment allocations under this
10 section for the 2010-11 school year, the superintendent shall include
11 the entire allocation from the federal funds provided through section
12 101 of Public Law No. 111-226 (education jobs fund) as part of each
13 district's general apportionment allocation.

14 (2) Allocations for certificated staff salaries for the 2009-10 and
15 2010-11 school years shall be determined using formula-generated staff
16 units calculated pursuant to this subsection. Staff allocations for
17 small school enrollments in (e) through (g) of this subsection shall be
18 reduced for vocational full-time equivalent enrollments. Staff
19 allocations for small school enrollments in grades K-6 shall be the
20 greater of that generated under (a) of this subsection, or under (d)
21 and (e) of this subsection. Certificated staffing allocations shall be
22 as follows:

23 (a) On the basis of each 1,000 average annual full-time equivalent
24 enrollments, excluding full-time equivalent enrollment otherwise
25 recognized for certificated staff unit allocations under (d) through
26 (g) of this subsection:

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

29 (ii)(A)(I) For districts that enroll fewer than 25 percent of their
30 total full-time equivalent student enrollment in grades K through three
31 in digital or online learning programs as defined in WAC 392-121-182,
32 as in effect on November 1, 2009: For the 2009-10 school year, fifty-
33 three and two-tenths certificated instructional staff units per
34 thousand full-time equivalent students in grades K through three and,
35 for the portion of the 2010-11 school year from September 1, 2010,
36 through January 31, 2011, fifty and seventy-five one-hundredths
37 certificated instructional staff units per thousand full-time
38 equivalent students in grades K through three.

1 (II) For all other districts for the 2009-10 school year, a minimum
2 of forty-nine certificated instructional staff units per 1,000
3 full-time equivalent (FTE) students in grades K through three, with
4 additional certificated instructional staff units to equal the
5 documented staffing level in grades K through three, up to a maximum of
6 fifty-three and two-tenths certificated instructional staff units per
7 1,000 FTE students.

8 For the portion of the 2010 school year from September 1, 2010,
9 through January 31, 2011, a minimum of forty-nine certificated
10 instructional staff units per thousand full-time equivalent students in
11 grades K through three, with additional certificated instructional
12 staff units to equal the documented staffing level in grades K through
13 three, up to a maximum of fifty and seventy-five one-hundredths
14 certificated instructional staff units per thousand full-time
15 equivalent students in grades K through three.

16 (B)(I) For districts that enroll fewer than 25 percent of their
17 total full-time equivalent student enrollment in grade four in digital
18 or online learning programs defined in WAC 392-121-182 as in effect on
19 November 1, 2009: For the 2009-10 school year, fifty-three and
20 two-tenths certificated instructional staff units per thousand full-
21 time equivalent students in grade four, and for the portion of the
22 2010-11 school year from September 1, 2010, through January 31, 2011,
23 forty-six and twenty-seven one-hundredths certificated instructional
24 staff units per thousand full-time equivalent students in grade four.

25 (II) For all other districts:

26 For the 2009-10 school year, a minimum of forty-six certificated
27 instructional staff units per 1,000 full-time equivalent (FTE) students
28 in grade four, and additional certificated instructional staff units to
29 equal the documented staffing level in grade four, up to a maximum of
30 fifty-three and two-tenths certificated instructional staff units per
31 1,000 FTE students.

32 For the portion of the 2010-11 school year from September 1, 2010,
33 through January 31, 2011, a minimum of forty-six certificated
34 instructional staff units per 1,000 full-time equivalent (FTE) students
35 in grade four, and additional certificated instructional staff units to
36 equal the documented staffing level in grade four, up to a maximum of
37 forty-six and twenty-seven one-hundredths certificated instructional
38 staff units per 1,000 FTE students;

1 (iii) For the portion of the 2010-11 school year beginning February
2 1, 2010:

3 (A) Forty-nine certificated instructional staff units per thousand
4 full-time equivalent students in grades kindergarten through three;

5 (B) Forty-six certificated instructional staff units per thousand
6 full-time equivalent students in grade 4;

7 (iv) All allocations for instructional staff units per thousand
8 full-time equivalent students above forty-nine in grades kindergarten
9 through three and forty-six in grade four shall occur in apportionments
10 in the monthly periods prior to February 1, 2011;

11 (v) Forty-six certificated instructional staff units per thousand
12 full-time equivalent students in grades 5-12;

13 (vi) Certificated staff allocations in this subsection (2)(a)
14 exceeding the statutory minimums established in RCW 28A.150.260 shall
15 not be considered part of basic education;

16 (b) For school districts with a minimum enrollment of 250 full-time
17 equivalent students whose full-time equivalent student enrollment count
18 in a given month exceeds the first of the month full-time equivalent
19 enrollment count by 5 percent, an additional state allocation of 110
20 percent of the share that such increased enrollment would have
21 generated had such additional full-time equivalent students been
22 included in the normal enrollment count for that particular month;

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

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

28 (B) Middle school vocational STEM programs approved by the
29 superintendent of public instruction, a maximum of 0.92 certificated
30 instructional staff units and 0.8 certificated administrative staff
31 units for each 19.5 full-time equivalent vocational students; and

32 (C) Skills center programs meeting the standards for skills center
33 funding established in January 1999 by the superintendent of public
34 instruction with a waiver allowed for skills centers in current
35 operation that are not meeting this standard until the 2010-11 school
36 year, 0.92 certificated instructional staff units and 0.08 certificated
37 administrative units for each 16.67 full-time equivalent vocational
38 students;

1 (ii) Vocational full-time equivalent enrollment shall be reported
2 on the same monthly basis as the enrollment for students eligible for
3 basic support, and payments shall be adjusted for reported vocational
4 enrollments on the same monthly basis as those adjustments for
5 enrollment for students eligible for basic support; and

6 (iii) Indirect cost charges by a school district to
7 vocational-secondary programs and vocational middle-school shall not
8 exceed 15 percent of the combined basic education and vocational
9 enhancement allocations of state funds;

10 (d) For districts enrolling not more than twenty-five average
11 annual full-time equivalent students in grades K-8, and for small
12 school plants within any school district which have been judged to be
13 remote and necessary by the state board of education and enroll not
14 more than twenty-five average annual full-time equivalent students in
15 grades K-8:

16 (i) For those enrolling no students in grades 7 and 8, 1.76
17 certificated instructional staff units and 0.24 certificated
18 administrative staff units for enrollment of not more than five
19 students, plus one-twentieth of a certificated instructional staff unit
20 for each additional student enrolled; and

21 (ii) For those enrolling students in grades 7 or 8, 1.68
22 certificated instructional staff units and 0.32 certificated
23 administrative staff units for enrollment of not more than five
24 students, plus one-tenth of a certificated instructional staff unit for
25 each additional student enrolled;

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

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

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

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

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

10 (ii) For all other small high schools under this subsection, nine
11 certificated instructional staff units and one-half of a certificated
12 administrative staff unit for the first sixty average annual full time
13 equivalent students, and additional staff units based on a ratio of
14 0.8732 certificated instructional staff units and 0.1268 certificated
15 administrative staff units per each additional forty-three and one-half
16 average annual full time equivalent students.

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

21 (g) For each nonhigh school district having an enrollment of more
22 than seventy annual average full-time equivalent students and less than
23 one hundred eighty students, operating a grades K-8 program or a grades
24 1-8 program, an additional one-half of a certificated instructional
25 staff unit; and

26 (h) For each nonhigh school district having an enrollment of more
27 than fifty annual average full-time equivalent students and less than
28 one hundred eighty students, operating a grades K-6 program or a grades
29 1-6 program, an additional one-half of a certificated instructional
30 staff unit.

31 (3) Allocations for classified salaries for the 2009-10 and 2010-11
32 school years shall be calculated using formula-generated classified
33 staff units determined as follows:

34 (a) For enrollments generating certificated staff unit allocations
35 under subsection (2)(e) through (h) of this section, one classified
36 staff unit for each 2.94 certificated staff units allocated under such
37 subsections;

1 (b) For all other enrollment in grades K-12, including vocational
2 full-time equivalent enrollments, one classified staff unit for each
3 58.75 average annual full-time equivalent students; and

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

8 (4) Fringe benefit allocations shall be calculated at a rate of
9 14.43 percent in the 2009-10 school year and 14.43 percent in the
10 2010-11 school year for certificated salary allocations provided under
11 subsection (2) of this section, and a rate of 16.59 percent in the
12 2009-10 school year and 16.59 percent in the 2010-11 school year for
13 classified salary allocations provided under subsection (3) of this
14 section.

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

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

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

26 (6)(a) For nonemployee-related costs associated with each
27 certificated staff unit allocated under subsection (2)(a), (b), and (d)
28 through (g) of this section, there shall be provided a maximum of
29 \$10,179 per certificated staff unit in the 2009-10 school year and a
30 maximum of \$10,424 per certificated staff unit in the 2010-11 school
31 year.

32 (b) For nonemployee-related costs associated with each vocational
33 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
34 section, there shall be provided a maximum of \$24,999 per certificated
35 staff unit in the 2009-10 school year and a maximum of \$25,399 per
36 certificated staff unit in the 2010-11 school year.

37 (c) For nonemployee-related costs associated with each vocational
38 certificated staff unit allocated under subsection (2)(c)(i)(B) of this

1 section, there shall be provided a maximum of \$19,395 per certificated
2 staff unit in the 2009-10 school year and a maximum of \$19,705 per
3 certificated staff unit in the 2010-11 school year.

4 (7) Allocations for substitute costs for classroom teachers shall
5 be distributed at a maintenance rate of \$607.44 for the 2009-10 and
6 2010-11 school years per allocated classroom teachers exclusive of
7 salary increase amounts provided in section 504 of this act. Solely
8 for the purposes of this subsection, allocated classroom teachers shall
9 be equal to the number of certificated instructional staff units
10 allocated under subsection (2) of this section, multiplied by the ratio
11 between the number of actual basic education certificated teachers and
12 the number of actual basic education certificated instructional staff
13 reported statewide for the prior school year.

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

23 (9) Funding in this section is sufficient to provide additional
24 service year credits to educational staff associates pursuant to
25 chapter 403, Laws of 2007.

26 (10)(a) The superintendent may distribute a maximum of \$5,452,000
27 outside the basic education formula during fiscal years 2010 and 2011
28 as follows:

29 (i) For fire protection for school districts located in a fire
30 protection district as now or hereafter established pursuant to chapter
31 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010
32 and a maximum of \$576,000 may be expended in fiscal year 2011;

33 (ii) For summer vocational programs at skills centers, a maximum of
34 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of
35 \$600,000 for the 2011 fiscal year;

36 (iii) A maximum of \$403,000 may be expended for school district
37 emergencies; and

1 (iv) A maximum of \$485,000 for fiscal year 2010 and \$436,000 for
2 fiscal year 2011 may be expended for programs providing skills training
3 for secondary students who are enrolled in extended day school-to-work
4 programs, as approved by the superintendent of public instruction. The
5 funds shall be allocated at a rate not to exceed \$500 per full-time
6 equivalent student enrolled in those programs.

7 (b) Funding in this section is sufficient to fund a maximum of 1.6
8 FTE enrollment for skills center students pursuant to chapter 463, Laws
9 of 2007.

10 (11) For purposes of RCW 84.52.0531, the increase per full-time
11 equivalent student is 4.0 percent from the 2008-09 school year to the
12 2009-10 school year and 4.0 percent from the 2009-10 school year to the
13 2010-11 school year.

14 (12) If two or more school districts consolidate and each district
15 was receiving additional basic education formula staff units pursuant
16 to subsection (2)(b) through (g) of this section, the following shall
17 apply:

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

22 (b) For the fourth through eighth school years following
23 consolidation, the difference between the basic education formula staff
24 units received by the districts for the school year prior to
25 consolidation and the basic education formula staff units after
26 consolidation pursuant to subsection (2)(a) through (h) of this section
27 shall be reduced in increments of twenty percent per year.

28 (13) General apportionment payments to the Steilacoom historical
29 school district shall reflect changes to operation of the Harriet
30 Taylor elementary school consistent with the timing of reductions in
31 correctional facility capacity and staffing.

32 (14) (~~(\$2,500,000)~~) \$15,500,000 of the general fund--state
33 appropriation for fiscal year 2011 is provided solely for the
34 superintendent for financial contingency funds for eligible school
35 districts. Of the amount provided in this subsection, \$2,500,000 is
36 for school districts needing financial assistance as a result of budget
37 reductions included in this act. Of the amount provided in this
38 subsection, \$13,000,000 is for school districts needing financial

1 assistance as a result of delaying a portion of the June apportionment
2 payment. The financial contingency funds shall be allocated to
3 eligible districts in the form of an advance of their respective
4 general apportionment allocations.

5 (a) Eligibility:

6 The superintendent shall determine a district's eligibility for
7 receipt of financial contingency funds, and districts shall be eligible
8 only if the following conditions are met:

9 (i) A petition is submitted by the school district as provided in
10 RCW 28A.510.250 and WAC 392-121-436; and

11 (ii) The district's projected general fund balance for the month of
12 March is less than one-half of one percent of its budgeted general fund
13 expenditures as submitted to the superintendent for the 2010-11 school
14 year on the F-196 report.

15 (b) Calculations:

16 The superintendent shall calculate the financial contingency
17 allocation to each district as the lesser of:

18 (i) The amount set forth in the school district's resolution;

19 (ii) An amount not to exceed 10 percent of the total amount to
20 become due and apportionable to the district from September 1st through
21 August 31st of the current school year;

22 (iii) The highest negative monthly cash and investment balance of
23 the general fund between the date of the resolution and May 31st of the
24 school year based on projections approved by the county treasurer and
25 the educational service district.

26 (c) Repayment:

27 For any amount allocated to a district in state fiscal year 2011,
28 the superintendent shall deduct in state fiscal year 2012 from the
29 district's general apportionment the amount of the emergency
30 contingency allocation and any earnings by the school district on the
31 investment of a temporary cash surplus due to the emergency contingency
32 allocation. Repayments or advances will be accomplished by a reduction
33 in the school district's apportionment payments on or before June 30th
34 of the school year following the distribution of the emergency
35 contingency allocation. All disbursements, repayments, and outstanding
36 allocations to be repaid of the emergency contingency pool shall be
37 reported to the office of financial management and the appropriate

1 fiscal committees of the legislature on July 1st and January 1st of
2 each year.

3 **Sec. 1403.** 2010 1st sp.s. c 37 s 504 (uncodified) is amended to
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
6 **COMPENSATION ADJUSTMENTS**

7	General Fund--State Appropriation (FY 2010)	(\$4,414,000)
8	General Fund--State Appropriation (FY 2011)	((-\$1,806,000))
9		<u>(\$1,539,000)</u>
10	General Fund--Federal Appropriation	(\$1,000)
11	TOTAL APPROPRIATION	((-\$6,221,000))
12		<u>(\$5,954,000)</u>

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

15 (1)(a) Additional salary adjustments as necessary to fund the base
16 salaries for certificated instructional staff as listed for each
17 district in LEAP Document 2, defined in section 503(2)(b) of this act.
18 Allocations for these salary adjustments shall be provided to all
19 districts that are not grandfathered to receive salary allocations
20 above the statewide salary allocation schedule, and to certain
21 grandfathered districts to the extent necessary to ensure that salary
22 allocations for districts that are currently grandfathered do not fall
23 below the statewide salary allocation schedule.

24 (b) Additional salary adjustments to certain districts as necessary
25 to fund the per full-time-equivalent salary allocations for
26 certificated administrative staff as listed for each district in LEAP
27 Document 2, defined in section 503(2)(b) of this act. These
28 adjustments shall ensure a minimum salary allocation for certificated
29 administrative staff of \$57,986 in the 2009-10 school year and \$57,986
30 in the 2010-11 school year.

31 (c) Additional salary adjustments to certain districts as necessary
32 to fund the per full-time-equivalent salary allocations for classified
33 staff as listed for each district in LEAP Document 2, defined in
34 section 503(2)(b) of this act. These salary adjustments ensure a
35 minimum salary allocation for classified staff of \$31,865 in the 2009-
36 10 school year and \$31,865 in the 2010-11 school year.

1 (d) The appropriations in this subsection (1) include associated
2 incremental fringe benefit allocations at rates 13.79 percent for the
3 2009-10 school year and 13.79 percent for the 2010-11 school year for
4 certificated staff and 13.09 percent for the 2009-10 school year and
5 13.09 percent for the 2010-11 school year for classified staff.

6 (e) The appropriations in this section include the increased or
7 decreased portion of salaries and incremental fringe benefits for all
8 relevant state-funded school programs in part V of this act. Changes
9 for general apportionment (basic education) are based on the salary
10 allocation schedules and methodology in sections 502 and 503 of this
11 act. Changes for special education result from changes in each
12 district's basic education allocation per student. Changes for
13 educational service districts and institutional education programs are
14 determined by the superintendent of public instruction using the
15 methodology for general apportionment salaries and benefits in sections
16 502 and 503 of this act. The appropriations in this section provide
17 incremental fringe benefit alterations based on formula adjustments as
18 follows:

	School Year	
	2009-10	2010-11
19 Pupil Transportation (per weighted pupil mile)	\$0	\$0
20 Highly Capable (per formula student)	(\$1.49)	(\$2.98)
21 Transitional Bilingual Education (per eligible bilingual student)	(\$3.93)	(\$7.86)
22 Learning Assistance (per formula student)	(\$1.18)	(\$2.36)

23 (f) The appropriations in this section include no salary
24 adjustments for substitute teachers.

25 (2) \$44,213,000 is provided for adjustments to insurance benefit
26 allocations. The maintenance rate for insurance benefit allocations is
27 \$732.00 per month for the 2009-10 and 2010-11 school years. The
28 appropriations in this section provide for a rate increase to \$745.00
29 per month for the 2009-10 school year and \$768.00 per month for the
30 2010-11 school year. The adjustments to health insurance benefits are
31 at the following rates:
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	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0.12	\$0.33
Highly Capable (per formula student)	\$0.79	\$2.22
Transitional Bilingual Education (per eligible bilingual student)	\$2.11	\$5.83
Learning Assistance (per formula student)	\$0.54	\$1.49

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

Sec. 1404. 2011 c 5 s 503 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION

General Fund--State Appropriation (FY 2010)	\$317,116,000
General Fund--State Appropriation (FY 2011)	(\$296,408,000)
	<u>\$297,393,000</u>
TOTAL APPROPRIATION	(\$613,524,000)
	<u>\$614,509,000</u>

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

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

(2) A maximum of \$878,000 of this fiscal year 2010 appropriation and a maximum of \$803,000 of the fiscal year 2011 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) Allocations for transportation of students shall be based on reimbursement rates of \$48.15 per weighted mile in the 2009-10 school year and \$48.37 per weighted mile in the 2010-11 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one

1 radius mile shall be based on weighted miles as determined by
2 superintendent of public instruction multiplied by the per mile
3 reimbursement rates for the school year pursuant to the formulas
4 adopted by the superintendent of public instruction. Allocations for
5 transportation of students living within one radius mile shall be based
6 on the number of enrolled students in grades kindergarten through five
7 living within one radius mile of their assigned school multiplied by
8 the per mile reimbursement rate for the school year multiplied by 1.29.

9 (4) The office of the superintendent of public instruction shall
10 provide reimbursement funding to a school district only after the
11 superintendent of public instruction determines that the school bus was
12 purchased from the list established pursuant to RCW 28A.160.195(2) or
13 a comparable competitive bid process based on the lowest price quote
14 based on similar bus categories to those used to establish the list
15 pursuant to RCW 28A.160.195.

16 (5) The superintendent of public instruction shall base
17 depreciation payments for school district buses on the pre-sales tax
18 five-year average of lowest bids in the appropriate category of bus.
19 In the final year on the depreciation schedule, the depreciation
20 payment shall be based on the lowest bid in the appropriate bus
21 category for that school year.

22 (6) Funding levels in this section reflect reductions from the
23 implementation of Substitute House Bill No. 1292 (authorizing waivers
24 from the one hundred eighty-day school year requirement in order to
25 allow four-day school weeks).

26 **Sec. 1405.** 2011 c 5 s 504 (uncodified) is amended to read as
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
29 **PROGRAMS**

30	General Fund--State Appropriation (FY 2010)	\$3,159,000
31	General Fund--State Appropriation (FY 2011)	\$7,111,000
32	General Fund--Federal Appropriation	((\$448,588,000))
33		<u>\$505,188,000</u>
34	TOTAL APPROPRIATION	((\$458,858,000))
35		<u>\$515,458,000</u>

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

1 (1) \$3,000,000 of the general fund--state appropriation for fiscal
2 year 2010 is provided for state matching money for federal child
3 nutrition programs.

4 (2) \$100,000 of the general fund--state appropriation for fiscal
5 year 2010 is provided for summer food programs for children in low-
6 income areas.

7 (3) \$59,000 of the general fund--state appropriation for fiscal
8 year 2010 is provided solely to reimburse school districts for school
9 breakfasts served to students enrolled in the free or reduced price
10 meal program pursuant to chapter 287, Laws of 2005 (requiring school
11 breakfast programs in certain schools).

12 (4) \$7,111,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided solely for state matching money for federal child
14 nutrition programs, and may support the meals for kids program through
15 the following allowable uses:

16 (a) Elimination of breakfast copays for eligible public school
17 students and lunch copays for eligible public school students in grades
18 kindergarten through third grade who are eligible for reduced price
19 lunch;

20 (b) Assistance to school districts and authorized public and
21 private nonprofit organizations for supporting summer food service
22 programs, and initiating new summer food service programs in low-income
23 areas; and

24 (c) Reimbursements to school districts for school breakfasts served
25 to students eligible for free and reduced price lunch, pursuant to
26 chapter 287, Laws of 2005.

27 **Sec. 1406.** 2011 c 5 s 505 (uncodified) is amended to read as
28 follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
30 **PROGRAMS**

31	General Fund--State Appropriation (FY 2010)	\$632,136,000
32	General Fund--State Appropriation (FY 2011)	(\$626,099,000)
33		<u>\$627,316,000</u>
34	General Fund--Federal Appropriation	(\$664,601,000)
35		<u>\$675,618,000</u>
36	Education Legacy Trust Account--State	
37	Appropriation	\$756,000

1 TOTAL APPROPRIATION ((~~\$1,923,592,000~~))
2 \$1,935,826,000

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

5 (1) Funding for special education programs is provided on an excess
6 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
7 that special education students as a class receive their full share of
8 the general apportionment allocation accruing through sections 502 and
9 504 of this act. To the extent a school district cannot provide an
10 appropriate education for special education students under chapter
11 28A.155 RCW through the general apportionment allocation, it shall
12 provide services through the special education excess cost allocation
13 funded in this section.

14 (2)(a) The superintendent of public instruction shall ensure that:

15 (i) Special education students are basic education students first;

16 (ii) As a class, special education students are entitled to the
17 full basic education allocation; and

18 (iii) Special education students are basic education students for
19 the entire school day.

20 (b) The superintendent of public instruction shall continue to
21 implement the full cost method of excess cost accounting, as designed
22 by the committee and recommended by the superintendent, pursuant to
23 section 501(1)(k), chapter 372, Laws of 2006.

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

27 (4) The superintendent of public instruction shall distribute state
28 funds to school districts based on two categories: (a) The first
29 category includes (i) children birth through age two who are eligible
30 for the optional program for special education eligible developmentally
31 delayed infants and toddlers, and (ii) students eligible for the
32 mandatory special education program and who are age three or four, or
33 five and not yet enrolled in kindergarten; and (b) the second category
34 includes students who are eligible for the mandatory special education
35 program and who are age five and enrolled in kindergarten and students
36 age six through 21.

37 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent
38 shall make allocations to each district based on the sum of:

1 (i) A district's annual average headcount enrollment of students
2 ages birth through four and those five year olds not yet enrolled in
3 kindergarten, as defined in subsection (4) of this section, multiplied
4 by the district's average basic education allocation per full-time
5 equivalent student, multiplied by 1.15; and

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

11 (b) For purposes of this subsection, "average basic education
12 allocation per full-time equivalent student" for a district shall be
13 based on the staffing ratios required by RCW 28A.150.260 and shall not
14 include enhancements, secondary vocational education, or small schools
15 in the 2009-10 school year. In the 2010-11 school year, the per
16 student allocation under this subsection (5)(b) shall include the same
17 factors as in the 2009-10 school year, but shall also include the
18 classified staff enhancements included in section 502(3)(b).

19 (6) The definitions in this subsection apply throughout this
20 section.

21 (a) "Annual average full-time equivalent basic education
22 enrollment" means the resident enrollment including students enrolled
23 through choice (RCW 28A.225.225) and students from nonhigh districts
24 (RCW 28A.225.210) and excluding students residing in another district
25 enrolled as part of an interdistrict cooperative program (RCW
26 28A.225.250).

27 (b) "Enrollment percent" means the district's resident special
28 education annual average enrollment, excluding the birth through age
29 four enrollment and those five year olds not yet enrolled in
30 kindergarten, as a percent of the district's annual average full-time
31 equivalent basic education enrollment.

32 Each district's general fund--state funded special education
33 enrollment shall be the lesser of the district's actual enrollment
34 percent or 12.7 percent.

35 (7) At the request of any interdistrict cooperative of at least 15
36 districts in which all excess cost services for special education
37 students of the districts are provided by the cooperative, the maximum
38 enrollment percent shall be calculated in accordance with subsection

1 (6)(b) of this section, and shall be calculated in the aggregate rather
2 than individual district units. For purposes of this subsection, the
3 average basic education allocation per full-time equivalent student
4 shall be calculated in the aggregate rather than individual district
5 units.

6 (8) To the extent necessary, \$19,512,000 of the general fund--state
7 appropriation and \$29,574,000 of the general fund--federal
8 appropriation are provided for safety net awards for districts with
9 demonstrated needs for special education funding beyond the amounts
10 provided in subsection (5) of this section. If the federal safety net
11 awards based on the federal eligibility threshold exceed the federal
12 appropriation in this subsection (8) in any fiscal year, the
13 superintendent shall expend all available federal discretionary funds
14 necessary to meet this need. Safety net funds shall be awarded by the
15 state safety net oversight committee subject to the following
16 conditions and limitations:

17 (a) The committee shall consider unmet needs for districts that can
18 convincingly demonstrate that all legitimate expenditures for special
19 education exceed all available revenues from state funding formulas.
20 In the determination of need, the committee shall also consider
21 additional available revenues from federal sources. Differences in
22 program costs attributable to district philosophy, service delivery
23 choice, or accounting practices are not a legitimate basis for safety
24 net awards. In the determination of need, the committee shall require
25 that districts demonstrate that they are maximizing their eligibility
26 for all state and federal revenues related to services for special
27 education-eligible students. Awards associated with (b) and (c) of
28 this subsection shall not exceed the total of a district's specific
29 determination of need.

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

35 (c) Using criteria developed by the committee, the committee shall
36 then consider extraordinary costs associated with communities that draw
37 a larger number of families with children in need of special education

1 services. The safety net awards to school districts shall be adjusted
2 to reflect amounts awarded under (b) of this subsection.

3 (d) The maximum allowable indirect cost for calculating safety net
4 eligibility may not exceed the federal restricted indirect cost rate
5 for the district plus one percent.

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

8 (f) Safety net awards shall be adjusted based on the percent of
9 potential medicaid eligible students billed as calculated by the
10 superintendent in accordance with chapter 318, Laws of 1999. The state
11 safety net oversight committee shall ensure that safety net
12 documentation and awards are based on current medicaid revenue amounts.

13 (g) Beginning with the 2010-11 school year award cycle, the office
14 of the superintendent of public instruction shall make award
15 determinations for state safety net funding in August of each school
16 year. Determinations on school district eligibility for state safety
17 net awards shall be based on analysis of actual expenditure data from
18 the current school year.

19 (9) The superintendent of public instruction may adopt such rules
20 and procedures as are necessary to administer the special education
21 funding and safety net award process. Prior to revising any standards,
22 procedures, or rules, the superintendent shall consult with the office
23 of financial management and the fiscal committees of the legislature.

24 (10) The safety net oversight committee appointed by the
25 superintendent of public instruction shall consist of:

26 (a) One staff from the office of superintendent of public
27 instruction;

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

30 (c) One or more representatives from school districts or
31 educational service districts knowledgeable of special education
32 programs and funding.

33 (11) The office of the superintendent of public instruction shall
34 review and streamline the application process to access safety net
35 funds, provide technical assistance to school districts, and annually
36 survey school districts regarding improvement to the process.

37 (12) A maximum of \$678,000 may be expended from the general
38 fund--state appropriations to fund 5.43 full-time equivalent teachers

1 and 2.1 full-time equivalent aides at children's orthopedic hospital
2 and medical center. This amount is in lieu of money provided through
3 the home and hospital allocation and the special education program.

4 (13) The superintendent shall maintain the percentage of federal
5 flow-through to school districts at 85 percent. In addition to other
6 purposes, school districts may use increased federal funds for
7 high-cost students, for purchasing regional special education services
8 from educational service districts, and for staff development
9 activities particularly relating to inclusion issues.

10 (14) A school district may carry over from one year to the next
11 year up to 10 percent of the general fund--state funds allocated under
12 this program; however, carryover funds shall be expended in the special
13 education program.

14 (15) \$262,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$251,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for two additional full-time
17 equivalent staff to support the work of the safety net committee and to
18 provide training and support to districts applying for safety net
19 awards.

20 (16) \$50,000 of the general fund--state appropriation for fiscal
21 year 2010, \$50,000 of the general fund--state appropriation for fiscal
22 2011, and \$100,000 of the general fund--federal appropriation shall be
23 expended to support a special education ombudsman program within the
24 office of superintendent of public instruction.

25 **Sec. 1407.** 2010 1st sp.s. c 37 s 509 (uncodified) is amended to
26 read as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
28 **ASSISTANCE**

29	General Fund--State Appropriation (FY 2010)	\$93,141,000
30	General Fund--State Appropriation (FY 2011)	(\$286,911,000)
31		<u>\$285,980,000</u>
32	General Fund--Federal Appropriation	\$157,043,000
33	TOTAL APPROPRIATION	(\$537,095,000)
34		<u>\$536,164,000</u>

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

1 (1) \$157,043,000 of the general fund--federal appropriation for
2 fiscal year 2010 is provided solely for American recovery and
3 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
4 state reductions for local effort assistance payments.

5 (2) \$21,808,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for implementation of Substitute House
7 Bill No. 2893 (school levies). If the bill is not enacted by June 30,
8 2010, the amount provided in this subsection shall lapse.

9 **Sec. 1408.** 2010 1st sp.s. c 37 s 510 (uncodified) is amended to
10 read as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
12 **EDUCATION PROGRAMS**

13	General Fund--State Appropriation (FY 2010)	\$18,059,000
14	General Fund--State Appropriation (FY 2011)	(\$19,006,000)
15		<u>\$20,063,000</u>
16	TOTAL APPROPRIATION	(\$37,065,000)
17		<u>\$38,122,000</u>

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

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

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

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

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

35 (5) \$228,000 of the general fund--state appropriation for fiscal
36 year 2010 and ~~(\$228,000)~~ \$509,000 of the general fund--state
37 appropriation for fiscal year 2011 are provided solely to maintain at

1 least one certificated instructional staff and related support services
2 at an institution whenever the K-12 enrollment is not sufficient to
3 support one full-time equivalent certificated instructional staff to
4 furnish the educational program. The following types of institutions
5 are included: Residential programs under the department of social and
6 health services for developmentally disabled juveniles, programs for
7 juveniles under the department of corrections, and programs for
8 juveniles under the juvenile rehabilitation administration.

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

11 **Sec. 1409.** 2011 c 5 s 507 (uncodified) is amended to read as
12 follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
14 **CAPABLE STUDENTS**

15	General Fund--State Appropriation (FY 2010)	\$9,189,000
16	General Fund--State Appropriation (FY 2011)	(\$9,162,000)
17		<u>\$9,137,000</u>
18	TOTAL APPROPRIATION	(\$18,351,000)
19		<u>\$18,326,000</u>

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

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

25 (2) Allocations for school district programs for highly capable
26 students shall be distributed at a maximum rate of \$401.08 per funded
27 student for the 2009-10 school year and \$401.08 per funded student for
28 the 2010-11 school year, exclusive of salary and benefit adjustments
29 pursuant to section 504 of this act. For the 2009-10 and 2010-11
30 school years, the number of funded students shall be a maximum of 2.314
31 percent of each district's full-time equivalent basic education
32 enrollment.

33 (3) \$90,000 of the fiscal year 2010 appropriation and \$81,000 of
34 the fiscal year 2011 appropriation are provided for the Washington
35 destination imagination network and future problem-solving programs.

36 (4) \$170,000 of the fiscal year 2010 appropriation and \$153,000 of

1 the fiscal year 2011 appropriation are provided for the centrum program
2 at Fort Worden state park.

3 **Sec. 1410.** 2011 c 5 s 508 (uncodified) is amended to read as
4 follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
6 **PROGRAMS**

7	General Fund--State Appropriation (FY 2010)	\$93,642,000
8	General Fund--State Appropriation (FY 2011)	(\$85,691,000)
9		<u>\$83,257,000</u>
10	General Fund--Federal Appropriation	(\$154,627,000)
11		<u>\$245,841,000</u>
12	Education Legacy Trust Account--State	
13	Appropriation	(\$98,981,000)
14		<u>\$98,610,000</u>
15	TOTAL APPROPRIATION	(\$432,941,000)
16		<u>\$521,350,000</u>

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

19 (1) \$35,804,000 of the general fund--state appropriation for fiscal
20 year 2010, \$31,850,000 of the general fund--state appropriation for
21 fiscal year 2011, \$1,350,000 of the education legacy trust
22 account--state appropriation, and \$17,869,000 of the general
23 fund--federal appropriation are provided solely for development and
24 implementation of the Washington state assessment system, including:
25 (i) Development and implementation of retake assessments for high
26 school students who are not successful in one or more content areas;
27 and (ii) development and implementation of alternative assessments or
28 appeals procedures to implement the certificate of academic
29 achievement. The superintendent of public instruction shall report
30 quarterly on the progress on development and implementation of
31 alternative assessments or appeals procedures. Within these amounts,
32 the superintendent of public instruction shall contract for the early
33 return of 10th grade student assessment results, on or around June 10th
34 of each year.

35 (2) \$3,249,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$3,249,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the design of the state
2 assessment system and the implementation of end of course assessments
3 for high school math.

4 (3) Within amounts provided in subsections (1) and (2) of this
5 section, the superintendent of public instruction, in consultation with
6 the state board of education, shall develop a statewide high school
7 end-of-course assessment measuring student achievement of the state
8 science standards in biology to be implemented statewide in the 2011-12
9 school year. By December 1, 2010, the superintendent of public
10 instruction shall recommend whether additional end-of-course
11 assessments in science should be developed and in which content areas.
12 Any recommendation for additional assessments must include an
13 implementation timeline and the projected cost to develop and
14 administer the assessments.

15 (4) \$1,014,000 of the education legacy trust account appropriation
16 is provided solely for allocations to districts for salaries and
17 benefits for the equivalent of two additional professional development
18 days for fourth and fifth grade teachers during the 2008-2009 school
19 year. The allocations shall be made based on the calculations of
20 certificated instructional staff units for fourth and fifth grade
21 provided in section 502 of this act and on the calculations of
22 compensation provided in sections 503 and 504 of this act. Districts
23 may use the funding to support additional days for professional
24 development as well as job-embedded forms of professional development.

25 (5) \$3,241,000 of the education legacy trust fund appropriation is
26 provided solely for allocations to districts for salaries and benefits
27 for the equivalent of three additional professional development days
28 for middle and high school math and science teachers during the 2008-
29 2009 school year, as well as specialized training for one math and
30 science teacher in each middle school and high school during the 2008-
31 2009 school year. Districts may use the funding to support additional
32 days for professional development as well as job-embedded forms of
33 professional development.

34 (6) \$3,773,000 of the education legacy trust account--state
35 appropriation is provided solely for a math and science instructional
36 coaches program pursuant to chapter 396, Laws of 2007. Funding shall
37 be used to provide grants to schools and districts to provide salaries,
38 benefits, and professional development activities for up to twenty-five

1 instructional coaches in middle and high school math and twenty-five
2 instructional coaches in middle and high school science in each year of
3 the biennium; and up to \$300,000 may be used by the office of the
4 superintendent of public instruction to administer and coordinate the
5 program.

6 (7) \$1,740,000 of the general fund--state appropriation for fiscal
7 year 2010 (~~and \$1,775,000 of the general fund--state appropriation for~~
8 ~~fiscal year 2011 are~~) is provided solely to allow approved middle and
9 junior high school career and technical education programs to receive
10 enhanced vocational funding. The office of the superintendent of
11 public instruction shall provide allocations to districts for middle
12 and junior high school students in accordance with the funding formulas
13 provided in section 502 of this act. If Second Substitute Senate Bill
14 No. 5676 is enacted the allocations are formula-driven, otherwise the
15 office of the superintendent shall consider the funding provided in
16 this subsection as a fixed amount, and shall adjust funding to stay
17 within the amounts provided in this subsection. Beginning in school
18 year 2010-11, middle and junior high vocational programs will be funded
19 out of general apportionment.

20 (8) \$139,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$93,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for (a) staff at the office of the
23 superintendent of public instruction to coordinate and promote efforts
24 to develop integrated math, science, technology, and engineering
25 programs in schools and districts across the state; and (b) grants of
26 \$2,500 to provide twenty middle and high school teachers each year
27 professional development training for implementing integrated math,
28 science, technology, and engineering program in their schools.

29 (9) \$1,473,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$197,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the Washington state
32 leadership and assistance for science education reform (LASER) regional
33 partnership activities coordinated at the Pacific science center,
34 including instructional material purchases, teacher and principal
35 professional development, and school and community engagement events.
36 Funding shall be distributed to the various LASER activities in a
37 manner proportional to LASER program spending during the 2007-2009
38 biennium.

1 (10) (~~(\$88,981,000)~~) \$88,610,000 of the education legacy trust
2 account--state appropriation is provided solely for grants for
3 voluntary full-day kindergarten at the highest poverty schools, as
4 provided in chapter 400, Laws of 2007. The office of the
5 superintendent of public instruction shall provide allocations to
6 districts for recipient schools in accordance with the funding formulas
7 provided in section 502 of this act. Each kindergarten student who
8 enrolls for the voluntary full-day program in a recipient school shall
9 count as one-half of one full-time equivalent student for the purpose
10 of making allocations under this subsection. Although the allocations
11 are formula-driven, the office of the superintendent shall consider the
12 funding provided in this subsection as a fixed amount, and shall limit
13 the number of recipient schools so as to stay within the amounts
14 appropriated each fiscal year in this subsection. The funding provided
15 in this subsection is estimated to provide full-day kindergarten
16 programs for 20 percent of kindergarten enrollment. Funding priority
17 shall be given to schools with the highest poverty levels, as measured
18 by prior year free and reduced priced lunch eligibility rates in each
19 school. Additionally, as a condition of funding, school districts must
20 agree to provide the full-day program to the children of parents who
21 request it in each eligible school. For the purposes of calculating a
22 school district levy base, funding provided in this subsection shall be
23 considered a state block grant program under RCW 84.52.0531.

24 (a) Of the amounts provided in this subsection, a maximum of
25 \$272,000 may be used for administrative support of the full-day
26 kindergarten program within the office of the superintendent of public
27 instruction.

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

32 (11) \$700,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$450,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the development of a
35 leadership academy for school principals and administrators. The
36 superintendent of public instruction shall contract with an independent
37 organization to design, field test, and implement a state-of-the-art
38 education leadership academy that will be accessible throughout the

1 state. Initial development of the content of the academy activities
2 shall be supported by private funds. Semiannually the independent
3 organization shall report on amounts committed by foundations and
4 others to support the development and implementation of this program.
5 Leadership academy partners, with varying roles, shall include the
6 state level organizations for school administrators and principals, the
7 superintendent of public instruction, the professional educator
8 standards board, and others as the independent organization shall
9 identify.

10 (12) \$105,754,000 of the general fund--federal appropriation is
11 provided for preparing, training, and recruiting high quality teachers
12 and principals under Title II of the no child left behind act.

13 (13) \$1,960,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$761,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely to the office of the
16 superintendent of public instruction for focused assistance. The
17 office of the superintendent of public instruction shall conduct
18 educational audits of low-performing schools and enter into performance
19 agreements between school districts and the office to implement the
20 recommendations of the audit and the community. Funding in this
21 subsection shall be used for focused assistance programs for individual
22 schools or school districts. The office of the superintendent of
23 public instruction shall report to the fiscal committees of the
24 legislature by September 1, 2011, providing an accounting of the uses
25 of focused assistance funds during the 2009-11 fiscal biennium,
26 including a list of schools served and the types of services provided.

27 (14) \$1,667,000 of the general fund--state appropriation for fiscal
28 year 2010 is provided solely to eliminate the lunch co-pay for students
29 in grades kindergarten through third grade that are eligible for
30 reduced price lunch.

31 (15) \$5,285,000 of the general fund--state appropriation for fiscal
32 year 2010 is provided solely for: (a) The meals for kids program under
33 RCW 28A.235.145 through 28A.235.155; (b) to eliminate the breakfast co-
34 pay for students eligible for reduced price lunch; and (c) for
35 additional assistance for school districts initiating a summer food
36 service program.

37 (16) \$1,003,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$528,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the Washington reading corps.
2 The superintendent shall allocate reading corps members to low-
3 performing schools and school districts that are implementing
4 comprehensive, proven, research-based reading programs. Two or more
5 schools may combine their Washington reading corps programs. Grants
6 provided under this section may be used by school districts for
7 expenditures from September 2009 through August 31, 2011.

8 (17) \$3,269,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$3,594,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for grants to school districts to
11 provide a continuum of care for children and families to help children
12 become ready to learn. Grant proposals from school districts shall
13 contain local plans designed collaboratively with community service
14 providers. If a continuum of care program exists in the area in which
15 the school district is located, the local plan shall provide for
16 coordination with existing programs to the greatest extent possible.
17 Grant funds shall be allocated pursuant to RCW 70.190.040.

18 (18) \$1,861,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$1,836,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for improving technology
21 infrastructure, monitoring and reporting on school district technology
22 development, promoting standards for school district technology,
23 promoting statewide coordination and planning for technology
24 development, and providing regional educational technology support
25 centers, including state support activities, under chapter 28A.650 RCW.

26 (19) \$225,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$150,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for the operation of the center
29 for the improvement of student learning pursuant to RCW 28A.300.130.

30 (20) \$246,000 of the education legacy trust account--state
31 appropriation is provided solely for costs associated with the office
32 of the superintendent of public instruction's statewide director of
33 technology position.

34 (21)(a) \$28,715,000 of the general fund--state appropriation for
35 fiscal year 2010 and (~~(\$36,168,000)~~) \$35,509,000 of the general fund--
36 state appropriation for fiscal year 2011 are provided solely for the
37 following bonuses for teachers who hold valid, unexpired certification

1 from the national board for professional teaching standards and who are
2 teaching in a Washington public school, subject to the following
3 conditions and limitations:

4 (i) For national board certified teachers, a bonus of \$5,000 per
5 teacher beginning in the 2007-08 school year and adjusted for inflation
6 in each school year thereafter in which Initiative 732 cost of living
7 adjustments are provided;

8 (ii) An additional \$5,000 annual bonus shall be paid to national
9 board certified teachers who teach in either: (A) High schools where
10 at least 50 percent of student headcount enrollment is eligible for
11 federal free or reduced price lunch, (B) middle schools where at least
12 60 percent of student headcount enrollment is eligible for federal free
13 or reduced price lunch, or (C) elementary schools where at least 70
14 percent of student headcount enrollment is eligible for federal free or
15 reduced price lunch;

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

20 (iv) During the 2009-10 and 2010-11 school years, and within the
21 available state and federal appropriations, certificated instructional
22 staff who have met the eligibility requirements and have applied for
23 certification from the national board for professional teaching
24 standards may receive a conditional two thousand dollars or the amount
25 set by the office of the superintendent of public instruction to
26 contribute toward the current assessment fee, not including the initial
27 up-front candidacy payment. The fee shall be an advance on the first
28 annual bonus under RCW 28A.405.415. The assessment fee for national
29 certification is provided in addition to compensation received under a
30 district's salary schedule adopted in accordance with RCW 28A.405.200
31 and shall not be included in calculations of a district's average
32 salary and associated salary limitation under RCW 28A.400.200.
33 Recipients who fail to receive certification after three years are
34 required to repay the assessment fee, not including the initial up-
35 front candidacy payment, as set by the national board for professional
36 teaching standards and administered by the office of the superintendent
37 of public instruction. The office of the superintendent of public

1 instruction shall adopt rules to define the terms for initial grant of
2 the assessment fee and repayment, including applicable fees; and

3 (v) To the extent necessary, the superintendent may use revenues
4 from the repayment of conditional loan scholarships to ensure payment
5 of all national board bonus payments required by this section in each
6 school year.

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

9 (22) \$2,475,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$456,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for secondary career and technical
12 education grants pursuant to chapter 170, Laws of 2008. This funding
13 may additionally be used to support FIRST Robotics programs. In fiscal
14 year 2011, if equally matched by private donations, \$300,000 of the
15 appropriation shall be used to support FIRST Robotics programs,
16 including FIRST Robotics professional development.

17 (23) \$75,000 of the general fund--state appropriation for fiscal
18 year 2011 is provided solely for the implementation of House Bill No.
19 2621 (K-12 school resource programs). If the bill is not enacted by
20 June 30, 2010, the amount provided in this subsection shall lapse.

21 (24) \$300,000 of the general fund--state appropriation for fiscal
22 year 2010 is provided solely for the local farms-healthy kids program
23 as described in chapter 215, Laws of 2008. The program is suspended in
24 the 2011 fiscal year, and not eliminated.

25 (25) \$2,348,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$1,000,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for a beginning educator support
28 program. School districts and/or regional consortia may apply for
29 grant funding beginning in the 2009-10 school year. The superintendent
30 shall implement this program in 5 to 15 school districts and/or
31 regional consortia. The program provided by a district and/or regional
32 consortia shall include: A paid orientation; assignment of a qualified
33 mentor; development of a professional growth plan for each beginning
34 teacher aligned with professional certification; release time for
35 mentors and new teachers to work together, and teacher observation time
36 with accomplished peers. \$250,000 may be used to provide state-wide
37 professional development opportunities for mentors and beginning
38 educators. The superintendent of public instruction shall adopt rules

1 to establish and operate a research-based beginning educator support
2 program no later than August 31, 2009. OSPI must evaluate the
3 program's progress and may contract for this work. A report to the
4 legislature about the beginning educator support program is due
5 November 1, 2010.

6 (26) \$390,000 of the education legacy trust account--state
7 appropriation is provided solely for the development and implementation
8 of diagnostic assessments, consistent with the recommendations of the
9 Washington assessment of student learning work group.

10 (27) Funding within this section is provided for implementation of
11 Engrossed Substitute Senate Bill No. 5414 (statewide assessments and
12 curricula).

13 (28) \$530,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$265,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the leadership internship
16 program for superintendents, principals, and program administrators.

17 (29) Funding for the community learning center program, established
18 in RCW 28A.215.060, and providing grant funding for the 21st century
19 after-school program, is suspended and not eliminated.

20 (30) \$2,357,000 of the general fund--state appropriation for fiscal
21 year 2011 is provided solely for implementation of Engrossed Second
22 Substitute Senate Bill No. 6696 (education reform). Of the amount
23 provided, \$142,000 is provided to the professional educators' standards
24 board and \$120,000 is provided to the system of the educational service
25 districts, to fulfill their respective duties under the bill.

26 **Sec. 1411.** 2010 1st sp.s. c 37 s 514 (uncodified) is amended to
27 read as follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
29 **BILINGUAL PROGRAMS**

30	General Fund--State Appropriation (FY 2010)	\$76,419,000
31	General Fund--State Appropriation (FY 2011)	(\$77,672,000)
32		<u>\$79,912,000</u>
33	General Fund--Federal Appropriation	\$65,263,000
34	TOTAL APPROPRIATION	(\$219,354,000)
35		<u>\$221,594,000</u>

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) The superintendent shall distribute a maximum of \$901.46 per
5 eligible bilingual student in the 2009-10 school year and \$901.46 in
6 the 2010-11 school year, exclusive of salary and benefit adjustments
7 provided in section 504 of this act.

8 (3) The superintendent may withhold up to 1.5 percent of the school
9 year allocations to school districts in subsection (2) of this section,
10 and adjust the per eligible pupil rates in subsection (2) of this
11 section accordingly, solely for the central provision of assessments as
12 provided in RCW 28A.180.090 (1) and (2).

13 (4) \$70,000 of the amounts appropriated in this section are
14 provided solely to track current and former transitional bilingual
15 program students.

16 (5) The general fund--federal appropriation in this section is
17 provided for migrant education under Title I Part C and English
18 language acquisition, and language enhancement grants under Title III
19 of the elementary and secondary education act.

20 **Sec. 1412.** 2010 1st sp.s. c 37 s 515 (uncodified) is amended to
21 read as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
23 **ASSISTANCE PROGRAM**

24	General Fund--State Appropriation (FY 2010)	\$103,865,000
25	General Fund--State Appropriation (FY 2011)	((\$110,312,000))
26		<u>\$114,240,000</u>
27	General Fund--Federal Appropriation	((\$553,925,000))
28		<u>\$580,425,000</u>
29	Education Legacy Trust Account--State Appropriation	\$47,980,000
30	TOTAL APPROPRIATION	((\$816,082,000))
31		<u>\$846,510,000</u>

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

34 (1) The general fund--state appropriations in this section are
35 subject to the following conditions and limitations:

36 (a) The appropriations include such funds as are necessary to

1 complete the school year ending in the fiscal year and for prior fiscal
2 year adjustments.

3 (b) Funding for school district learning assistance programs shall
4 be allocated at maximum rates of \$281.71 per funded student for the
5 2009-10 school year and \$283.00 per funded student for the 2010-11
6 school year exclusive of salary and benefit adjustments provided under
7 section 504 of this act.

8 (c) A school district's funded students for the learning assistance
9 program shall be the sum of the following as appropriate:

10 (i) The district's full-time equivalent enrollment in grades K-12
11 for the prior school year multiplied by the district's percentage of
12 October headcount enrollment in grades K-12 eligible for free or
13 reduced price lunch in the prior school year; and

14 (ii) If, in the prior school year, the district's percentage of
15 October headcount enrollment in grades K-12 eligible for free or
16 reduced price lunch exceeded forty percent, subtract forty percent from
17 the district's percentage and multiply the result by the district's K-
18 12 annual average full-time equivalent enrollment for the prior school
19 year.

20 (d) In addition to the amounts allocated in (b) and (c) of this
21 subsection, an additional amount shall be allocated to school districts
22 with high concentrations of poverty and English language learner
23 students, subject to the following rules and conditions:

24 (i) To qualify for additional funding under this subsection, a
25 district's October headcount enrollment in grades kindergarten through
26 grade twelve must have at least twenty percent enrolled in the
27 transitional bilingual instruction program based on an average of the
28 program headcount taken in October and May of the prior school year;
29 and must also have at least forty percent eligible for free or reduced
30 price lunch based on October headcount enrollment in grades
31 kindergarten through twelve in the prior school year.

32 (ii) Districts meeting the specifications in (d)(i) of this
33 subsection shall receive additional funded students for the learning
34 assistance program at the rates specified in subsection (1)(b) of this
35 section. The number of additional funded student units shall be
36 calculated by subtracting twenty percent from the district's percent
37 transitional bilingual instruction program enrollment as defined in

1 (d)(i) of this subsection, and the resulting percent shall be
2 multiplied by the district's kindergarten through twelve annual average
3 full-time equivalent enrollment for the prior school year.

4 (2) Allocations made pursuant to subsection (1) of this section
5 shall be adjusted to reflect ineligible applications identified through
6 the annual income verification process required by the national school
7 lunch program, as recommended in the report of the state auditor on the
8 learning assistance program dated February, 2010.

9 (3) The general fund--federal appropriation in this section is
10 provided for Title I Part A allocations of the no child left behind act
11 of 2001.

12 (4) A school district may carry over from one year to the next up
13 to 10 percent of the general fund--state or education legacy trust
14 funds allocated under this program; however, carryover funds shall be
15 expended for the learning assistance program.

16 (5) School districts are encouraged to coordinate the use of these
17 funds with other federal, state, and local sources to serve students
18 who are below grade level and to make efficient use of resources in
19 meeting the needs of students with the greatest academic deficits.

20 (6) Within amounts appropriated in this section, funding is
21 provided for the implementation of extended learning programs required
22 in chapter 328, Laws of 2008.

23 **Sec. 1413.** 2010 1st sp.s. c 37 s 516 (uncodified) is amended to
24 read as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**
26 **PROGRAMS**

27	General Fund--State Appropriation (FY 2010)	\$19,000
28	General Fund--State Appropriation (FY 2011)	(\$25,730,000)
29		<u>\$25,417,000</u>
30	General Fund--Federal Appropriation	\$200,295,000
31	TOTAL APPROPRIATION	(\$226,044,000)
32		<u>\$225,731,000</u>

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

35 (1) Funding for school district student achievement programs shall
36 be allocated at a maximum rate of \$131.16 per FTE student for the 2009-
37 10 school year and \$0 per FTE student for the 2010-11 school year. For

1 the purposes of this section, FTE student refers to the annual average
2 full-time equivalent enrollment of the school district in grades
3 kindergarten through twelve for the prior school year, as reported to
4 the office of the superintendent of public instruction by August 31st
5 of the previous school year.

6 (2) The appropriation is allocated for the following uses as
7 specified in RCW 28A.505.210:

8 (a) To reduce class size by hiring certificated elementary
9 classroom teachers in grades K-4 and paying nonemployee-related costs
10 associated with those new teachers;

11 (b) To make selected reductions in class size in grades 5-12, such
12 as small high school writing classes;

13 (c) To provide extended learning opportunities to improve student
14 academic achievement in grades K-12, including, but not limited to,
15 extended school year, extended school day, before-and-after-school
16 programs, special tutoring programs, weekend school programs, summer
17 school, and all-day kindergarten;

18 (d) To provide additional professional development for educators
19 including additional paid time for curriculum and lesson redesign and
20 alignment, training to ensure that instruction is aligned with state
21 standards and student needs, reimbursement for higher education costs
22 related to enhancing teaching skills and knowledge, and mentoring
23 programs to match teachers with skilled, master teachers. The funding
24 shall not be used for salary increases or additional compensation for
25 existing teaching duties, but may be used for extended year and
26 extended day teaching contracts;

27 (e) To provide early assistance for children who need
28 prekindergarten support in order to be successful in school; or

29 (f) To provide improvements or additions to school building
30 facilities which are directly related to the class size reductions and
31 extended learning opportunities under (a) through (c) of this
32 subsection (2).

33 (3) The superintendent of public instruction shall distribute the
34 school year allocation according to the monthly apportionment schedule
35 defined in RCW 28A.510.250.

36 (4) \$200,295,000 of the general fund--federal appropriation for
37 fiscal year 2010 is provided solely for American recovery and

1 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
2 state reductions for the student achievement program.

3 **Sec. 1414.** 2010 1st sp.s. c 37 s 517 (uncodified) is amended to
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

6 (1) Appropriations made in this act to the office of the
7 superintendent of public instruction shall initially be allotted as
8 required by this act. Subsequent allotment modifications shall not
9 include transfers of moneys between sections of this act, except as
10 expressly provided in subsection (2) of this section.

11 (2) The appropriations to the office of the superintendent of
12 public instruction in this act shall be expended for the programs and
13 amounts specified in this act. However, after May 1, (~~2010~~) 2011,
14 unless specifically prohibited by this act and after approval by the
15 director of financial management, the superintendent of public
16 instruction may transfer state general fund appropriations for fiscal
17 year (~~2010~~) 2011 among the following programs to meet the
18 apportionment schedule for a specified formula in another of these
19 programs: General apportionment; employee compensation adjustments;
20 pupil transportation; special education programs; institutional
21 education programs; transitional bilingual programs; and student
22 achievement and learning assistance programs.

23 (3) The director of financial management shall notify the
24 appropriate legislative fiscal committees in writing prior to approving
25 any allotment modifications or transfers under this section.

(End of part)

PART XV
HIGHER EDUCATION

Sec. 1501. 2011 c 5 s 607 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund--State Appropriation (FY 2010)	\$631,804,000
General Fund--State Appropriation (FY 2011)	(\$603,296,000)
	<u>\$603,878,000</u>
General Fund--Federal Appropriation	\$17,171,000
Education Legacy Trust Account--State Appropriation	\$95,035,000
Opportunity Express Account--State Appropriation	\$18,556,000
TOTAL APPROPRIATION	(\$1,365,862,000)
	<u>\$1,366,444,000</u>

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

(1) \$28,761,000 of the general fund--state appropriation for fiscal year 2010, \$28,761,000 of the general fund--state appropriation for fiscal year 2011, and \$17,556,000 of the opportunity express account--state appropriation are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 6,200 full-time equivalent students in fiscal year 2010 and at least 9,984 full-time equivalent students in fiscal year 2011.

(2) \$2,725,000 of the general fund--state appropriation for fiscal year 2010 and \$2,725,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) Of the amounts appropriated in this section, \$3,500,000 is provided solely for the student achievement initiative.

1 (4) When implementing the appropriations in this section, the state
2 board and the trustees of the individual community and technical
3 colleges shall minimize impact on academic programs, maximize
4 reductions in administration, and shall at least maintain, and endeavor
5 to increase, enrollment opportunities and degree and certificate
6 production in high employer-demand fields of study at their academic
7 year 2008-09 levels.

8 (5) Within the board's 2009-11 biennial budget allocation to
9 Bellevue College, and pursuant to RCW 28B.50.810, the college may
10 implement, on a tuition and fee basis, an additional applied
11 baccalaureate degree in interior design. This program is intended to
12 provide students with additional opportunities to earn baccalaureate
13 degrees and to respond to emerging job and economic growth
14 opportunities. The program reviews and approval decisions required by
15 RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that
16 the degree may be offered during the 2009-10 academic year.

17 (6) In accordance with the recommendations of the higher education
18 coordinating board's 2008 *Kitsap region higher education center study*,
19 the state board shall facilitate development of university centers by
20 allocating thirty 2-year and 4-year partnership full-time enrollment
21 equivalencies to Olympic College and ten 2-year and 4-year partnership
22 full-time enrollment equivalencies to Peninsula College. The colleges
23 shall use the allocations to establish a partnership with a
24 baccalaureate university or universities for delivery of upper division
25 degree programs in the Kitsap region. The Olympic and Peninsula
26 Community College districts shall additionally work together to ensure
27 coordinated development of these and other future baccalaureate
28 opportunities through coordinated needs assessment, planning, and
29 scheduling.

30 (7) By September 1, 2009, the state board for community and
31 technical colleges, the higher education coordinating board, and the
32 office of financial management shall review and to the extent necessary
33 revise current 2009-11 performance measures and targets based on the
34 level of state, tuition, and other resources appropriated or authorized
35 in this act and in the omnibus 2009-11 omnibus capital budget act. The
36 boards and the office of financial management shall additionally
37 develop new performance targets for the 2011-13 and the 2013-15 biennia

1 that will guide and measure the community and technical college
2 system's contributions to achievement of the state's higher education
3 master plan goals.

4 (8) \$2,250,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$2,250,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the hospital employee
7 education and training program under which labor, management, and
8 college partnerships develop or expand and evaluate training programs
9 for incumbent hospital workers that lead to careers in nursing and
10 other high-demand health care occupations. The board shall report
11 student progress, outcomes, and costs to the relevant fiscal and policy
12 committees of the legislature by November 2009 and November 2010.

13 (9) Community and technical colleges are not required to send mass
14 mailings of course catalogs to residents of their districts. Community
15 and technical colleges shall consider lower cost alternatives, such as
16 mailing postcards or brochures that direct individuals to online
17 information and other ways of acquiring print catalogs.

18 (10) \$1,112,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$1,113,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for the state board to enhance
21 online distance learning and open courseware technology. Funds shall
22 be used to support open courseware, open textbooks, open licenses to
23 increase access, affordability and quality of courses in higher
24 education. The state board for community and technical colleges shall
25 select the most appropriate courses to support open courseware based
26 solely upon criteria of maximizing the value of instruction and
27 reducing costs of textbooks and other instructional materials for the
28 greatest number of students in higher education, regardless of the type
29 of institution those students attend.

30 (11) \$158,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely to implement House Bill No. 2694 (B.S. in
32 nursing/university center). If the bill is not enacted by June 30,
33 2010, the amount provided in this subsection shall lapse.

34 (12)(a) The labor education and research center is transferred from
35 The Evergreen State College to south Seattle community college and
36 shall begin operations on July 1, 2010.

37 (b) At least \$164,000 of the general fund--state appropriation for

1 fiscal year 2011 shall be expended on the labor education and research
2 center to provide outreach programs and direct educational and research
3 services to labor unions and worker-centered organizations.

4 (13) \$1,000,000 of the opportunity express account--state
5 appropriation is provided solely for the opportunity grant program as
6 specified in RCW 28B.50.271.

7 (14) \$1,750,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided solely for the state board for community and
9 technical colleges to contract with the aerospace training and research
10 center on Paine field in Everett, Washington to support industry-
11 identified training in the aerospace sector.

12 (15) Sufficient amounts are provided in this section to implement
13 the food stamp employment and training program under Second Substitute
14 House Bill No. 2782 (security lifeline act).

15 (16) Appropriations in section 609 of this act reflect reductions
16 to the state need grant. The state board for community and technical
17 colleges shall use locally held funds to provide a commensurate amount
18 of aid to eligible students who would have received state need grant
19 payments through the appropriations in section 609 of this act.

20 By September 1, 2011, the state board for community and technical
21 colleges shall report to the appropriate legislative fiscal and policy
22 committees regarding the implementation of this section. The report
23 shall provide detail on the number of students provided aid under this
24 subsection and the amount of aid provided to each student.

25 **Sec. 1502.** 2011 c 5 s 608 (uncodified) is amended to read as
26 follows:

27 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
28 **ADMINISTRATION**

29	General Fund--State Appropriation (FY 2010)	\$6,402,000
30	General Fund--State Appropriation (FY 2011)	((\$5,183,000))
31		<u>\$5,339,000</u>
32	General Fund--Federal Appropriation	\$4,332,000
33	TOTAL APPROPRIATION	((\$15,917,000))
34		<u>\$16,073,000</u>

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

1 (1) Within the funds appropriated in this section, the higher
2 education coordinating board shall complete a system design planning
3 project that defines how the current higher education delivery system
4 can be shaped and expanded over the next ten years to best meet the
5 needs of Washington citizens and businesses for high quality and
6 accessible post-secondary education. The board shall propose policies
7 and specific, fiscally feasible implementation recommendations to
8 accomplish the goals established in the *2008 strategic master plan for*
9 *higher education*. The project shall specifically address the roles,
10 missions, and instructional delivery systems both of the existing and
11 of proposed new components of the higher education system; the extent
12 to which specific academic programs should be expanded, consolidated,
13 or discontinued and how that would be accomplished; the utilization of
14 innovative instructional delivery systems and pedagogies to reach both
15 traditional and nontraditional students; and opportunities to
16 consolidate institutional administrative functions. The study
17 recommendations shall also address the proposed location, role,
18 mission, academic program, and governance of any recommended new
19 campus, institution, or university center. During the planning
20 process, the board shall inform and actively involve the chairs from
21 the senate and house of representatives committees on higher education,
22 or their designees. The board shall report the findings and
23 recommendations of this system design planning project to the governor
24 and the appropriate committees of the legislature by December 1, 2009.

25 (2) \$146,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$65,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for the higher education
28 coordinating board to administer Engrossed Second Substitute House Bill
29 No. 2021 (revitalizing student financial aid). If the bill is not
30 enacted by June 30, 2009, the amounts provided in this subsection shall
31 lapse.

32 (3) \$167,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$67,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely to implement Engrossed Second
35 Substitute House Bill No. 1946 (regarding higher education online
36 technology). If the bill is not enacted by June 30, 2009, the amounts
37 provided in this subsection shall lapse.

1 (4) \$350,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$200,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the higher education
4 coordinating board to contract with the Pacific Northwest university of
5 health sciences to conduct training and education of health care
6 professionals to promote osteopathic physician services in rural and
7 underserved areas of the state.

8 **Sec. 1503.** 2011 c 5 s 609 (uncodified) is amended to read as
9 follows:

10 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**
11 **PROGRAMS**

12	General Fund--State Appropriation (FY 2010)	\$188,332,000
13	General Fund--State Appropriation (FY 2011)	(\$96,833,000)
14		<u>\$182,683,000</u>
15	General Fund--Federal Appropriation	\$13,129,000
16	Education Legacy Trust Account--State	
17	Appropriation	(\$116,060,000)
18		<u>\$30,210,000</u>
19	Opportunity Pathways Account--State Appropriation	\$73,500,000
20	TOTAL APPROPRIATION	\$487,854,000

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

23 (1) \$178,726,000 of the general fund--state appropriation for
24 fiscal year 2010, \$95,187,000 of the general fund--state appropriation
25 for fiscal year 2011, \$109,188,000 of the education legacy trust
26 account appropriation, \$73,500,000 of the opportunity pathways
27 appropriation, and \$2,545,000 of the general fund--federal
28 appropriation are provided solely for student financial aid payments
29 under the state need grant; the state work study program including up
30 to a four percent administrative allowance; the Washington scholars
31 program; and the Washington award for vocational excellence. State
32 need grant and the Washington award for vocational excellence shall be
33 adjusted to offset the cost of the resident undergraduate tuition
34 increases, limited to those tuition increases authorized under this
35 act. The Washington scholars program shall provide awards sufficient
36 to offset ninety percent of the total tuition and fee award.

1 (2)(a) Within the funds appropriated in this section, eligibility
2 for the state need grant shall include students with family incomes at
3 or below 70 percent of the state median family income (MFI), adjusted
4 for family size. Awards for all students shall be adjusted by the
5 estimated amount by which Pell grant increases exceed projected
6 increases in the noninstructional costs of attendance. Awards for
7 students with incomes between 51 and 70 percent of the state median
8 shall be prorated at the following percentages of the award amount
9 granted to those with incomes below 51 percent of the MFI: 70 percent
10 for students with family incomes between 51 and 55 percent MFI; 65
11 percent for students with family incomes between 56 and 60 percent MFI;
12 60 percent for students with family incomes between 61 and 65 percent
13 MFI; and 50 percent for students with family incomes between 66 and 70
14 percent MFI.

15 (b) Grant awards for students at private four-year colleges shall
16 be set at the same level as the student would receive if attending one
17 of the public research universities.

18 (3) To the maximum extent practicable, the board shall provide
19 state work study subsidies only to resident students during the 2010-11
20 academic year. Additionally, in order to provide work opportunities to
21 as many resident students as possible, the board is encouraged to
22 increase the proportion of student wages that is to be paid by both
23 proprietary and nonprofit, public, and private employers.

24 (4) \$3,872,000 of the education legacy trust account--state
25 appropriation is provided solely for the passport to college
26 scholarship program pursuant to chapter 28B.117 RCW. The higher
27 education coordinating board shall contract with a college scholarship
28 organization with expertise in managing scholarships for low-income,
29 high-potential students and foster care children and young adults to
30 administer the program. Of the amount in this subsection, \$39,000 is
31 provided solely for the higher education coordinating board for
32 administration of the contract and the remaining shall be contracted
33 out to the organization for the following purposes:

34 (a) \$384,000 is provided solely for program administration, and

35 (b) \$3,449,000 is provided solely for student financial aid for up
36 to 151 students and to fund student support services. Funds are
37 provided for student scholarships, provider training, and for incentive
38 payments to the colleges they attend for individualized student support

1 services which may include, but are not limited to, college and career
2 advising, counseling, tutoring, costs incurred for students while
3 school is not in session, personal expenses, health insurance, and
4 emergency services.

5 (5) \$1,250,000 of the general fund--state appropriation for fiscal
6 year 2010 is provided solely for the health professional scholarship
7 and loan program. The funds provided in this subsection shall be: (a)
8 Prioritized for health care deliver sites demonstrating a commitment to
9 serving the uninsured; and (b) allocated between loan repayments and
10 scholarships proportional to current program allocations.

11 (6) For fiscal year 2010 and fiscal year 2011, the board shall
12 defer loan or conditional scholarship repayments to the future teachers
13 conditional scholarship and loan repayment program for up to one year
14 for each participant if the participant has shown evidence of efforts
15 to find a teaching job but has been unable to secure a teaching job per
16 the requirements of the program.

17 (7) \$246,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$246,000 of the general fund--state appropriation for
19 fiscal year 2011 are for community scholarship matching grants and its
20 administration. To be eligible for the matching grant, nonprofit
21 groups organized under section 501(c)(3) of the federal internal
22 revenue code must demonstrate they have raised at least \$2,000 in new
23 moneys for college scholarships after the effective date of this
24 section. Groups may receive no more than one \$2,000 matching grant per
25 year and preference shall be given to groups affiliated with
26 scholarship America. Up to a total of \$46,000 per year of the amount
27 appropriated in this section may be awarded to a nonprofit community
28 organization to administer scholarship matching grants, with preference
29 given to an organization affiliated with scholarship America.

30 (8) \$500,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$500,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for state need grants provided to
33 students enrolled in three to five credit-bearing quarter credits, or
34 the equivalent semester credits. Total state expenditures on this
35 program shall not exceed the amounts provided in this subsection.

36 (9) \$2,500,000 of the education legacy trust account--state
37 appropriation is provided solely for the gaining early awareness and
38 readiness for undergraduate programs project.

1 (10) \$75,000 of the general fund--state appropriation for fiscal
2 year 2010 is provided solely for higher education student child care
3 matching grants under chapter 28B.135 RCW.

4 (11) \$200,000 of the general fund--state appropriation for fiscal
5 year 2011 is provided solely for continuation of the leadership 1000
6 scholarship sponsorship and matching program.

7 (12) In 2010 and 2011, the board shall continue to designate
8 Washington scholars and scholar-alternates and to recognize them at
9 award ceremonies as provided in RCW 28A.600.150, but state funding is
10 provided for award of only one scholarship per legislative district
11 during the 2010-11 academic year. After the 2010-11 academic year, and
12 as provided in RCW 28B.76.660, the board may distribute grants to these
13 eligible students to the extent that funds are appropriated for this
14 purpose.

15 (13) Fiscal year 2011 appropriations in this section reflect
16 general fund-state reductions to the state need grant. In implementing
17 these reductions, the board shall reduce state need grant payments to
18 each of the following institutions in the following amounts:

19	University of Washington	\$5,658,000
20	Washington State University	\$3,718,000
21	Eastern Washington University	\$765,000
22	Central Washington University	\$705,000
23	The Evergreen State College	\$386,000
24	Western Washington University	\$1,010,000
25	State Board for Community and Technical Colleges	\$13,143,000

26 If any of these institutions has received state need grant payments
27 in excess of the amount to which it is entitled after application of
28 the reductions in this section, that institution shall remit to the
29 board the amount of the overpayment.

30 **Sec. 1504.** 2010 1st sp.s. c 37 s 612 (uncodified) is amended to
31 read as follows:

32 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

33	General Fund--State Appropriation (FY 2010)	\$1,465,000
34	General Fund--State Appropriation (FY 2011)	(\$1,444,000)
35		<u>\$1,358,000</u>
36	General Fund--Federal Appropriation	(\$54,020,000)
37		<u>\$54,022,000</u>

1 TOTAL APPROPRIATION ((~~\$56,929,000~~))
2 \$56,845,000

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

5 (1) \$60,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$60,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for implementation of Engrossed
8 Second Substitute House Bill No. 2227 (evergreen jobs act). If the
9 bill is not enacted by June 30, 2009, the amounts provided in this
10 subsection shall lapse.

11 (2) In 2010 and 2011, the board shall continue to designate
12 recipients of the Washington award for vocational excellence and to
13 recognize them at award ceremonies as provided in RCW 28C.04.535, but
14 state funding is provided for award of only one scholarship per
15 legislative district during the 2010-11 academic year. After the 2010-
16 11 academic year, and as provided in RCW 28B.76.670, the board may
17 distribute grants to these eligible students to the extent that funds
18 are appropriated for this purpose.

19 **Sec. 1505.** 2011 c 5 s 612 (uncodified) is amended to read as
20 follows:

21 **FOR THE DEPARTMENT OF EARLY LEARNING**

22 General Fund--State Appropriation (FY 2010) \$60,400,000
23 General Fund--State Appropriation (FY 2011) ((~~\$19,335,000~~))
24 \$19,302,000
25 General Fund--Federal Appropriation \$266,004,000
26 Opportunity Pathways Account--State Appropriation \$40,000,000
27 TOTAL APPROPRIATION ((~~\$385,739,000~~))
28 \$385,706,000

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

31 (1) \$54,878,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$14,405,000 of the general fund--state appropriation for
33 fiscal year 2011, and \$40,000,000 of the opportunity pathways account
34 appropriation are provided solely for early childhood education and
35 assistance program services. This appropriation temporarily reduces
36 the number of slots for the 2009-11 fiscal biennium for the early
37 childhood education and assistance program. The department shall

1 reduce slots where providers serve both federal headstart and early
2 childhood education and assistance program children, to the greatest
3 extent possible, in order to achieve no reduction of slots across the
4 state. The amounts in this subsection also reflect reductions to the
5 administrative expenditures for the early childhood education and
6 assistance program. The department shall reduce administrative
7 expenditures, to the greatest extent possible, prior to reducing early
8 childhood education and assistance program slots. Of these amounts,
9 \$10,284,000 is a portion of the biennial amount of state matching
10 dollars required to receive federal child care and development fund
11 grant dollars.

12 (2) \$1,000,000 of the general fund--federal appropriation is
13 provided to the department to contract with Thrive by Five, Washington
14 for a pilot project for a quality rating and improvement system to
15 provide parents with information they need to choose quality child care
16 and education programs and to improve the quality of early care and
17 education programs. The department in collaboration with Thrive by
18 Five shall operate the pilot projects in King, Yakima, Clark, Spokane,
19 and Kitsap counties. The department shall use child care development
20 fund quality money for this purpose.

21 (3) \$425,000 of the general fund--state appropriation for fiscal
22 year 2010, \$213,000 of the general fund--state appropriation for fiscal
23 year 2011, and \$850,000 of the general fund--federal appropriation are
24 provided solely for child care resource and referral network services.
25 The general fund--federal funding represents moneys from the American
26 recovery and reinvestment act of 2009 (child care development block
27 grant).

28 (4) \$750,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$1,500,000 of the general fund--federal appropriation are
30 provided solely for the career and wage ladder program created by
31 chapter 507, Laws of 2005. The general fund--federal funding
32 represents moneys from the American recovery and reinvestment act of
33 2009 (child care development block grant).

34 (5) \$50,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$50,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the department to work with
37 stakeholders and the office of the superintendent of public instruction
38 to identify and test a kindergarten assessment process and tools in

1 geographically diverse school districts. School districts may
2 participate in testing the kindergarten assessment process on a
3 voluntary basis. The department shall report to the legislature on the
4 kindergarten assessment process not later than January 15, 2011.
5 Expenditure of amounts provided in this subsection is contingent on
6 receipt of an equal match from private sources. As matching funds are
7 made available, the department may expend the amounts provided in this
8 subsection.

9 (6) \$1,600,000 of the general fund--federal appropriation is
10 provided solely for the department to fund programs to improve the
11 quality of infant and toddler child care through training, technical
12 assistance, and child care consultation.

13 (7) \$200,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$200,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely to develop and provide culturally
16 relevant supports for parents, family, and other caregivers.

17 (8) The legislature notes that the department of early learning is
18 developing a plan for improving child care licensing and is consulting,
19 as practicable, with parents, licensed child care providers, and
20 stakeholders from the child care community. The plan shall outline the
21 processes and specify the resources necessary for improvements such as
22 continuing licenses, child care licensing technology, and weighted
23 child care regulations, including development of risk-based decision
24 making models and inclusive, evidence-based rule making. The
25 department shall submit to the appropriate committees of the
26 legislature a plan by January 15, 2011.

27 (9) The department is the lead agency for and recipient of the
28 federal child care and development fund grant. Amounts within this
29 grant shall be used to fund child care licensing, quality initiatives,
30 agency administration, and other costs associated with child care
31 subsidies. The department shall transfer a portion of this grant to
32 the department of social and health services to partially fund the
33 child care subsidies paid by the department of social and health
34 services on behalf of the department of early learning.

35 (10) The department shall use child care development fund money to
36 satisfy the federal audit requirement of the improper payments act
37 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent

1 on the audits will not count against the five percent state limit on
2 administrative expenditures.

3 (11) Within available amounts, the department in consultation with
4 the office of financial management and the department of social and
5 health services shall report quarterly enrollments and active caseload
6 for the working connections child care program to the legislative
7 fiscal committees. The report shall also identify the number of cases
8 participating in both temporary assistance for needy families and
9 working connections child care.

10 (12) The appropriations in this section reflect reductions in the
11 appropriations for the department's administrative expenses. It is the
12 intent of the legislature that these reductions shall be achieved, to
13 the greatest extent possible, by reducing those administrative costs
14 that do not affect direct client services or direct service delivery or
15 program.

16 (13) \$500,000 of the general fund--state appropriation for fiscal
17 year 2011 is provided solely for the department to contract with the
18 private-public partnership established in chapter 43.215 RCW for home
19 visitation programs. Of this amount, \$200,000 of the general fund--
20 state appropriation for fiscal year 2011 is provided solely for
21 expenditure into the home visiting services account created in Part IX
22 of this act to be used for contracts for home visitation with the
23 private-public partnership.

24 (14) In accordance to RCW 43.215.255(2) and 43.135.055, the
25 department is authorized to increase child care center licensure fees
26 by fifty-two dollars for the first twelve children and an additional
27 four dollars per additional child in fiscal year 2011 for costs to the
28 department for the licensure activity, including costs of necessary
29 inspection.

30 (15) In accordance with RCW 43.135.055, the department of early
31 learning is authorized to adopt and increase the fees set forth in and
32 previously authorized in section 3, chapter 231, Laws of 2010.

33 (16) As of January 31, 2011, the department may not adopt, enforce,
34 or implement any rules or policies restricting the eligibility of
35 consumers for child care subsidy benefits to a countable income level
36 below one hundred seventy-five percent of the federal poverty
37 guidelines.

1 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If
2 the bill is not enacted by June 30, 2009, the amounts provided in this
3 subsection shall lapse.

4 **Sec. 1508.** 2011 c 5 s 615 (uncodified) is amended to read as
5 follows:

6 **FOR THE WASHINGTON STATE ARTS COMMISSION**

7	General Fund--State Appropriation (FY 2010)	\$1,844,000
8	General Fund--State Appropriation (FY 2011)	(\$1,230,000)
9		<u>\$1,228,000</u>
10	General Fund--Federal Appropriation	(\$1,944,000)
11		<u>\$2,107,000</u>
12	General Fund--Private/Local Appropriation	\$1,052,000
13	TOTAL APPROPRIATION	(\$6,070,000)
14		<u>\$6,231,000</u>

15 The appropriations in this section are subject to the following
16 conditions and limitations: It is the intent of the legislature that
17 the reductions in appropriations in this section shall be achieved, to
18 the greatest extent possible, by reducing those administrative costs
19 that do not affect direct client services or direct service delivery or
20 programs. The agency shall, to the greatest extent possible, reduce
21 spending in those areas that shall have the least impact on
22 implementing its mission.

23 **Sec. 1509.** 2011 c 5 s 616 (uncodified) is amended to read as
24 follows:

25 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

26	General Fund--State Appropriation (FY 2010)	\$2,592,000
27	General Fund--State Appropriation (FY 2011)	(\$2,381,000)
28		<u>\$2,379,000</u>
29	TOTAL APPROPRIATION	(\$4,973,000)
30		<u>\$4,971,000</u>

31 The appropriations in this section are subject to the following
32 conditions and limitations: It is the intent of the legislature that
33 the reductions in appropriations in this section shall be achieved, to
34 the greatest extent possible, by reducing those administrative costs
35 that do not affect direct client services or direct service delivery or

1 programs. The agency shall, to the greatest extent possible, reduce
2 spending in those areas that shall have the least impact on
3 implementing its mission.

4 **Sec. 1510.** 2011 c 5 s 617 (uncodified) is amended to read as
5 follows:

6 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

7	General Fund--State Appropriation (FY 2010)	\$1,612,000
8	General Fund--State Appropriation (FY 2011)	((\$1,490,000))
9		<u>\$1,489,000</u>
10	TOTAL APPROPRIATION	((\$3,102,000))
11		<u>\$3,101,000</u>

12 The appropriations in this section are subject to the following
13 conditions and limitations: It is the intent of the legislature that
14 the reductions in appropriations in this section shall be achieved, to
15 the greatest extent possible, by reducing those administrative costs
16 that do not affect direct client services or direct service delivery or
17 programs. The agency shall, to the greatest extent possible, reduce
18 spending in those areas that shall have the least impact on
19 implementing its mission.

(End of part)

PART XVI
SPECIAL APPROPRIATIONS

3 **Sec. 1601.** 2010 1st sp.s. c 37 s 701 (uncodified) is amended to
4 read as follows:

5 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
6 **BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT**
7 **LIMIT**

8	General Fund--State Appropriation (FY 2010)	\$842,590,000
9	General Fund--State Appropriation (FY 2011)	((\$894,284,000))
10		<u>\$878,400,000</u>
11	State Building Construction Account--State	
12	Appropriation	\$11,707,000
13	Columbia River Basin Water Supply Development Account--	
14	State Appropriation	\$117,000
15	Hood Canal Aquatic Rehabilitation Bond Account--State	
16	Appropriation	\$11,000
17	State Taxable Building Construction Account--State	
18	Appropriation	\$1,136,000
19	Gardner-Evans Higher Education Construction Account--	
20	State Appropriation	\$260,000
21	Debt-Limit Reimbursable Bond Retirement Account--State	
22	Appropriation	\$2,612,000
23	TOTAL APPROPRIATION	((\$1,752,717,000))
24		<u>\$1,736,833,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations: The general fund appropriations are for
27 expenditure into the debt-limit general fund bond retirement account.
28 The entire general fund--state appropriation for fiscal year 2010 shall
29 be expended into the debt-limit general fund bond retirement account by
30 June 30, 2010.

31 **Sec. 1602.** 2010 1st sp.s. c 37 s 702 (uncodified) is amended to
32 read as follows:

33 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
34 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**

1 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

2 General Fund--State Appropriation (FY 2010) \$26,436,000

3 General Fund--State Appropriation (FY 2011) (~~(\$27,773,000)~~)

4 \$27,709,000

5 School Construction and Skill Centers Building

6 Account--State Appropriation \$477,000

7 Nondebt-Limit Reimbursable Bond Retirement Account--

8 State Appropriation (~~(\$140,872,000)~~)

9 \$135,872,000

10 TOTAL APPROPRIATION (~~(\$195,558,000)~~)

11 \$190,494,000

12 The appropriations in this section are subject to the following

13 conditions and limitations: The general fund appropriation is for

14 expenditure into the nondebt-limit general fund bond retirement

15 account. The entire general fund--state appropriation for fiscal year

16 2010 shall be expended into the nondebt-limit general fund bond

17 retirement account by June 30, 2010.

18 **Sec. 1603.** 2010 1st sp.s. c 37 s 703 (uncodified) is amended to

19 read as follows:

20 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**

21 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

22 General Fund--State Appropriation (FY 2010) \$1,357,000

23 General Fund--State Appropriation (FY 2011) \$1,357,000

24 State Building Construction Account--State

25 Appropriation \$1,273,000

26 Columbia River Basin Water Supply Development

27 Account--State Appropriation (~~(\$9,000)~~)

28 \$13,000

29 Hood Canal Aquatic Rehabilitation Bond Account--

30 State Appropriation \$1,000

31 State Taxable Building Construction Account--State

32 Appropriation (~~(\$72,000)~~)

33 \$131,000

34 Gardner-Evans Higher Education Construction

35 Account--State Appropriation \$18,000

36 School Construction and Skill Centers Building

37 Account--State Appropriation (~~(\$30,000)~~)

1 \$51,000
 2 TOTAL APPROPRIATION (~~(\$4,117,000)~~)
 3 \$4,201,000

4 **Sec. 1604.** 2010 1st sp.s. c 37 s 709 (uncodified) is amended to
 5 read as follows:

6 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may
 7 be necessary, are appropriated from the general fund, unless otherwise
 8 indicated, for relief of various individuals, firms, and corporations
 9 for sundry claims. These appropriations are to be disbursed on
 10 vouchers approved by the director of financial management, except as
 11 otherwise provided, as follows:

12 (1) Reimbursement of criminal defendants acquitted on the basis of
 13 self-defense, pursuant to RCW 9A.16.110:

- 14 (a) Gerald S. Morrow, claim number 99970006 \$20,567
- 15 (b) Darrell R. Baumgart, claim number 99970007 \$4,528
- 16 (c) William Davis, claim number 99970008 \$8,093
- 17 (d) Gene T. Strader, claim number 99970009 \$33,875
- 18 (e) Cecilio Cortez, claim number 99970012 \$17,055
- 19 (f) Alexander D. Coble, claim number 99970013 \$302,110
- 20 (g) James W. Jolly, claim number 99970017 \$28,884
- 21 (h) James Jay Olsen, claim number 99970018 \$97,220
- 22 (i) Todd E. Miller, claim number 99970019 \$6,957
- 23 (j) Sean S. DeHart, claim number 99970021 \$52,062
- 24 (k) Thomas L. Raglin, Jr., claim number 99970022 \$4,360
- 25 (l) Matthew Smitham, claim number 99970016 \$8,100
- 26 (m) John R. Frederick, claim number 99970020 \$7,719
- 27 (n) Justin C. Federmeier, claim number 99970023 \$29,728
- 28 (o) David R. Palmer, claim number 99970024 \$4,250
- 29 (p) Ian K. Berghoffer, claim number 99970026 \$33,455
- 30 (q) Darryl L. Koenen, claim number 99970027 \$23,077
- 31 (r) Lee J. Stites, claim number 99970028 \$7,502
- 32 (s) Bobby G. Ewing, claim number 99970029 \$51,093
- 33 (t) Dylan Friesz, claim number 99970030 \$10,200
- 34 (u) Kevin L. Lund, claim number 99970031 \$11,402
- 35 (v) Rodney C. Price, claim number 99970033 \$11,250
- 36 (w) Matthew S. Lovacs, claim number 99970034 \$25,700
- 37 (x) Christopher A. Peeler, claim number 99970035 \$47,923

1	<u>(y) Dwayne Myatt-Perez, claim number 99970036</u>	<u>\$70,000</u>
2	<u>(z) Roland L. Savage, claim number 99970037</u>	<u>\$48,752</u>
3	<u>(aa) Horace G. Graham, claim number 99970038</u>	<u>\$7,674</u>
4	<u>(bb) Kenneth L. Werner, claim number 99900039</u>	<u>\$33,162</u>
5	<u>(cc) Mark A. Peterson, claim number 99970040</u>	<u>\$61,940</u>
6	<u>(dd) Phillip C. Sly, claim number 99970042</u>	<u>\$3,349</u>
7	<u>(ee) Sandra Colebourn, claim number 99970043</u>	<u>\$10,615</u>
8	<u>(ff) Joseph B. Wiggins, claim number 99970044</u>	<u>\$3,500</u>
9	(2) Payment of death benefit, pursuant to RCW 41.04.017: Estate of	
10	Erik Anderson, claim number 99970014	\$150,000

11 **Sec. 1605.** 2010 1st sp.s. c 37 s 710 (uncodified) is amended to
12 read as follows:

13 **STRATEGIC PRINTING STRATEGY.** (1) The office of financial
14 management shall work with the appropriate state agencies to generate
15 savings of \$1,500,000 from the state general fund that can arise from
16 a strategic printing strategy. ~~((From appropriations in this act, the
17 office of financial management shall reduce general fund state
18 allotments by \$1,500,000 for fiscal year 2011 to reflect the savings
19 from the strategic printing strategy. The allotment reductions shall
20 be placed in unallotted status and remain unexpended.))~~

21 (2) The office of financial management, with the assistance of the
22 department of information services and the department of printing,
23 shall conduct an analysis of the state's printing processes to identify
24 the most reasonable strategies of attaining a statewide savings target
25 of \$1,500,000 without affecting direct program activities. The
26 strategies shall include, but not be limited to, standardizing
27 envelopes, utilizing print management, and streamlining processes.
28 Pursuant to RCW 41.06.142(3), the strategies shall also include, on the
29 approval of the office of financial management, pilot projects to
30 authorize state agencies and institutions to directly acquire printing
31 services. The analysis shall identify savings by agency and fund that
32 will result from the implementation of a strategic printing strategy.
33 The results of this analysis shall then be provided to the director of
34 financial management and appropriate legislative committees by July 1,
35 2010. The director shall use the analysis as the basis to achieve the
36 savings identified in subsection (1) of this section.

1 **Sec. 1606.** 2011 c 5 s 703 (uncodified) is amended to read as
2 follows:

3 **INFORMATION TECHNOLOGY**

4 Pursuant to section 11, chapter 282, Laws of 2010 (state government
5 technology use), the office of financial management shall work with the
6 appropriate state agencies to generate savings of \$30,000,000 from
7 technology efficiencies from the state general fund. From
8 appropriations in this act, the office of financial management shall
9 reduce general fund--state allotments by (~~(\$24,841,000)~~) \$16,209,000
10 for fiscal year 2011. The office of financial management shall,
11 utilizing existing fund balance, reduce the data processing revolving
12 account rates in an amount to reflect up to half of the reductions
13 identified in this section. The office of financial management may use
14 savings or existing fund balances from information technology accounts
15 to achieve savings in this section. The allotment reductions shall be
16 placed in unallotted status and remain unexpended. Nothing in this
17 section is intended to impact revenue collection efforts by the
18 department of revenue.

19 **Sec. 1607.** 2009 c 564 s 719 (uncodified) is amended to read as
20 follows:

21	FOR THE OFFICE OF FINANCIAL MANAGEMENT--O'BRIEN BUILDING IMPROVEMENT	
22	General Fund--State Appropriation (FY 2010)	\$1,435,000
23	General Fund--State Appropriation (FY 2011)	((\$1,435,000))
24		<u>\$1,884,000</u>
25	TOTAL APPROPRIATION	((\$2,870,000))
26		<u>\$3,319,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations: The appropriations are provided solely for
29 expenditure into the general administration services account for
30 payment of principal, interest, and financing expenses associated with
31 the certificate of participation for the O'Brien building improvement,
32 project number 20081007.

33 NEW SECTION. **Sec. 1608.** A new section is added to 2009 c 564
34 (uncodified) to read as follows:

35 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--WASHINGTON COMMUNITY**

1 **TECHNOLOGY OPPORTUNITY ACCOUNT**

2 General Fund--State Appropriation (FY 2011) \$213,000

3 The appropriation in this section is subject to the following
4 conditions and limitations: The appropriation in this section is
5 provided solely for expenditure into the Washington community
6 technology opportunity account.

(End of part)

PART XVII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1701. 2010 1st sp.s. c 37 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance	
premium distributions	((\$7,572,000))
	<u>\$7,888,000</u>
General Fund Appropriation for public utility	
district excise tax distributions	((\$47,342,000))
	<u>\$45,125,000</u>
General Fund Appropriation for prosecuting	
attorney distributions	((\$6,281,000))
	<u>\$5,804,000</u>
General Fund Appropriation for boating safety	
and education distributions	((\$4,854,000))
	<u>\$3,954,000</u>
General Fund Appropriation for other tax	
distributions	((\$50,000))
	<u>\$55,000</u>
General Fund Appropriation for habitat conservation	
program distributions	((\$3,000,000))
	<u>\$2,642,000</u>
Death Investigations Account Appropriation for	
distribution to counties for publicly funded	
autopsies	\$2,544,000
Aquatic Lands Enhancement Account Appropriation for	
harbor improvement revenue distribution	\$170,000
Timber Tax Distribution Account Appropriation for	
distribution to "timber" counties	((\$36,651,000))
	<u>\$31,519,000</u>
County Criminal Justice Assistance Appropriation	((\$68,528,000))
	<u>\$66,216,000</u>
Municipal Criminal Justice Assistance	
Appropriation	((\$27,175,000))
	<u>\$25,510,000</u>

1	City-County Assistance Account Appropriation for local	
2	government financial assistance distribution . . .	((\$27,366,000))
3		<u>\$23,845,000</u>
4	Liquor Excise Tax Account Appropriation for liquor	
5	excise tax distribution	((\$58,268,000))
6		<u>\$58,822,000</u>
7	Streamline Sales and Use Tax Account Appropriation for	
8	distribution to local taxing jurisdictions to	
9	mitigate the unintended revenue redistribution	
10	effect of the sourcing law changes	((\$50,056,000))
11		<u>\$51,535,000</u>
12	Columbia River Water Delivery Account Appropriation	
13	for the Confederated Tribes of the Colville	
14	Reservation	((\$7,315,000))
15		<u>\$7,257,000</u>
16	Columbia River Water Delivery Account Appropriation	
17	for the Spokane Tribe of Indians	((\$4,644,000))
18		<u>\$4,704,000</u>
19	Liquor Revolving Account Appropriation for liquor	
20	profits distribution	((\$68,741,000))
21		<u>\$64,670,000</u>
22	Liquor Revolving Account Appropriation for additional	
23	liquor profits distribution to local governments . . .	\$18,677,000
24	TOTAL APPROPRIATION	((\$439,234,000))
25		<u>\$420,937,000</u>

26 The total expenditures from the state treasury under the
27 appropriations in this section shall not exceed the funds available
28 under statutory distributions for the stated purposes.

29 **Sec. 1702.** 2009 c 564 s 802 (uncodified) is amended to read as
30 follows:

31 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
32 **ACCOUNT**

33	Impaired Driver Safety Account Appropriation	((\$2,351,000))
34		<u>\$2,467,000</u>

35 The appropriation in this section is subject to the following
36 conditions and limitations: The amount appropriated in this section
37 shall be distributed quarterly during the 2009-11 biennium in

1 accordance with RCW 82.14.310. This funding is provided to counties
2 for the costs of implementing criminal justice legislation including,
3 but not limited to: Chapter 206, Laws of 1998 (drunk driving
4 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
5 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
6 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
7 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
8 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
9 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
10 215, Laws of 1998 (DUI provisions).

11 **Sec. 1703.** 2009 c 564 s 803 (uncodified) is amended to read as
12 follows:

13 **FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE**
14 **ACCOUNT**

15 Impaired Driver Safety Account Appropriation (~~(\$1,543,000)~~)
16 \$1,645,000

17 The appropriation in this section is subject to the following
18 conditions and limitations: The amount appropriated in this section
19 shall be distributed quarterly during the 2009-11 biennium to all
20 cities ratably based on population as last determined by the office of
21 financial management. The distributions to any city that substantially
22 decriminalizes or repeals its criminal code after July 1, 1990, and
23 that does not reimburse the county for costs associated with criminal
24 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
25 which the city is located. This funding is provided to cities for the
26 costs of implementing criminal justice legislation including, but not
27 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
28 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
29 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
30 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
31 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
32 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
33 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
34 Laws of 1998 (DUI provisions).

35 NEW SECTION. **Sec. 1704.** 2010 1st sp.s. c 37 s 802 (uncodified) is
36 repealed.

1 **Sec. 1705.** 2011 c 5 s 801 (uncodified) is amended to read as
2 follows:

3 **FOR THE STATE TREASURER--TRANSFERS**

4 State Treasurer's Service Account: For transfer to the
5 state general fund, \$16,400,000 for fiscal year
6 2010 and \$29,400,000 for fiscal year 2011 \$45,800,000
7 Waste Reduction, Recycling and Litter Control Account:
8 For transfer to the state general fund, \$3,000,000
9 for fiscal year 2010 and \$3,000,000 for fiscal year
10 2011 \$6,000,000
11 State Toxics Control Account: For transfer to the
12 state general fund, \$15,340,000 for fiscal year
13 2010 and \$37,780,000 for fiscal year 2011 \$53,120,000
14 Local Toxics Control Account: For transfer to the
15 state general fund, \$37,060,000 for fiscal year
16 2010 and \$65,759,000 for fiscal year 2011 \$102,819,000
17 Education Construction Account: For transfer to the
18 state general fund, \$105,228,000 for fiscal year
19 2010 and \$106,451,000 for fiscal year 2011 \$211,679,000
20 Aquatics Lands Enhancement Account: For transfer to
21 the state general fund, \$8,520,000 for fiscal
22 year 2010 and \$12,550,000 for fiscal year 2011 \$21,070,000
23 Drinking Water Assistance Account: For transfer to
24 the drinking water assistance repayment account \$28,600,000
25 Economic Development Strategic Reserve Account: For
26 transfer to the state general fund, \$2,500,000 for
27 fiscal year 2010 and \$3,900,000 for fiscal year
28 2011 \$6,400,000
29 Tobacco Settlement Account: For transfer to the state
30 general fund, in an amount not to exceed by more
31 than \$26,000,000 the actual amount of the annual
32 payment to the tobacco settlement account \$204,098,000
33 Tobacco Settlement Account: For transfer to the life
34 sciences discovery fund, in an amount not to exceed
35 \$26,000,000 less than the actual amount of the
36 strategic contribution supplemental payment to
37 the tobacco settlement account \$39,170,000
38 General Fund: For transfer to the streamline sales and

1 use tax account, \$24,274,000 for fiscal year 2010
2 and (~~(\$24,182,000)~~) \$25,803,000 for fiscal
3 year 2011 (~~(\$48,456,000)~~)
4 \$50,077,000
5 State Convention and Trade Center Account: For
6 transfer to the state convention and trade center
7 operations account, \$1,000,000 for fiscal year
8 2010 (~~and \$3,100,000 for fiscal year 2011 \$4,100,000~~)
9 \$1,000,000
10 Tobacco Prevention and Control Account: For transfer
11 to the state general fund, \$1,961,000 for fiscal
12 year 2010 and \$3,000,000 for fiscal year 2011 \$4,961,000
13 Nisqually Earthquake Account: For transfer to the
14 disaster response account for fiscal year 2010 \$500,000
15 Judicial Information Systems Account: For transfer
16 to the state general fund, \$3,250,000 for fiscal
17 year 2010 and \$3,250,000 for fiscal year 2011 \$6,500,000
18 Department of Retirement Systems Expense Account: For
19 transfer to the state general fund, \$1,000,000 for
20 fiscal year 2010 and \$1,500,000 for fiscal year
21 2011 \$2,500,000
22 State Emergency Water Projects Account: For transfer
23 to the state general fund, \$390,000 for fiscal
24 year 2011 \$390,000
25 The Charitable, Educational, Penal, and Reformatory
26 Institutions Account: For transfer to the state
27 general fund, \$5,550,000 for fiscal year 2010 and
28 \$4,450,000 for fiscal year 2011 \$10,000,000
29 Energy Freedom Account: For transfer to the state
30 general fund, \$4,038,000 for fiscal year 2010 and
31 \$2,978,000 for fiscal year 2011 \$7,016,000
32 Thurston County Capital Facilities Account: For
33 transfer to the state general fund, \$8,604,000
34 for fiscal year 2010 and \$5,156,000 for fiscal
35 year 2011 \$13,760,000
36 Public Works Assistance Account: For transfer to the
37 state general fund, \$279,640,000 for fiscal year
38 2010 and \$229,560,000 for fiscal

1 the actual cash balance not comprised of or
2 needed to match private contributions \$1,800,000
3 Financial Services Regulation Account: For transfer
4 to the state general fund, \$2,000,000 for fiscal
5 year 2010 and \$7,000,000 for fiscal year 2011 \$9,000,000
6 Data Processing Revolving Fund: For transfer to
7 the state general fund, \$5,632,000 for fiscal
8 year 2010 and \$4,159,000 for fiscal year 2011 \$9,791,000
9 Public Service Revolving Account: For transfer to
10 the state general fund, \$8,000,000 for fiscal
11 year 2010 and \$7,000,000 for fiscal year 2011 \$15,000,000
12 Water Quality Capital Account: For transfer to the
13 state general fund, \$278,000 for fiscal year 2011 \$278,000
14 Performance Audits of Government Account: For
15 transfer to the state general fund, \$10,000,000
16 for fiscal year 2010 and \$7,000,000
17 for fiscal year 2011 \$17,000,000
18 Job Development Account: For transfer to the
19 state general fund, \$20,930,000 for fiscal
20 year 2010 \$20,930,000
21 Savings Incentive Account: For transfer to the
22 state general fund, \$10,117,000 for fiscal
23 year 2010 and \$32,075,000 for fiscal year
24 2011 \$42,192,000
25 Education Savings Account: For transfer to the
26 state general fund, \$90,690,000
27 for fiscal year 2010 and \$53,384,000 for fiscal
28 year 2011 \$144,074,000
29 Cleanup Settlement Account: For transfer to the
30 state efficiency and restructuring account for
31 fiscal year 2011 \$39,480,000
32 Disaster Response Account: For transfer to the
33 state drought preparedness account, \$4,000,000
34 for fiscal year 2010 \$4,000,000
35 Washington State Convention and Trade Center Account:
36 For transfer to the state general fund, \$10,000,000
37 for fiscal year 2011. The transfer in this section
38 shall occur on June 30, 2011, only if by that date

1 the Washington state convention and trade center is
2 not transferred to a public facilities district
3 pursuant to Substitute Senate Bill No. 6889
4 (convention and trade center) \$10,000,000
5 Institutional Welfare/Betterment Account: For transfer
6 to the state general fund, \$2,000,000 for fiscal
7 year 2010 and \$2,000,000 for fiscal year 2011 \$4,000,000
8 Future Teacher Conditional Scholarship Account: For
9 transfer to the state general fund, \$2,150,000
10 for fiscal year 2010 and \$2,150,000 for fiscal
11 year 2011 \$4,300,000
12 Fingerprint Identification Account: For transfer
13 to the state general fund, \$800,000 for fiscal
14 year 2011 \$800,000
15 Prevent or Reduce Owner-Occupied Foreclosure
16 Program Account: For transfer to the financial
17 education public-private partnership account for
18 fiscal year 2010, an amount not to exceed the actual
19 cash balance of the fund as of June 30, 2010 \$300,000
20 Nisqually Earthquake Account: For transfer to the
21 state general fund for fiscal year 2011 \$696,000
22 Disaster Response Account: For transfer to the state
23 general fund for fiscal year 2011 \$14,500,000
24 Washington Auto Theft Prevention Account: For
25 transfer to the state general fund, \$1,500,000
26 for fiscal year 2011 \$1,500,000
27 Tourism Enterprise Account: For transfer to the
28 state general fund, \$590,000 for fiscal year
29 2011 \$590,000
30 Tourism Development and Promotion Account: For
31 transfer to the state general fund, \$205,000
32 for fiscal year 2011 \$205,000
33 Life Sciences Discovery Fund: For transfer to
34 the basic health plan stabilization account \$6,000,000
35 Life Sciences Discovery Fund: For transfer to
36 the state general fund for fiscal year 2011 \$2,200,000
37 Industrial Insurance Premium Refund Account: For
38 transfer to the state general fund, \$4,500,000

1 for fiscal year 2011 \$4,500,000
2 Distressed County Assistance Account: For transfer
3 to the state general fund, \$205,000 for
4 fiscal year 2011 \$ 205,000
5 State Drought Preparedness Account: For transfer to
6 the state general fund, \$4,000,000 for fiscal
7 year 2011 \$4,000,000
8 Freshwater Aquatic Algae Control Account: For
9 transfer to the state general fund, \$400,000 for
10 fiscal year 2011 \$400,000
11 Freshwater Aquatic Weeds Account: For transfer to
12 the state general fund, \$300,000 for fiscal
13 year 2011 \$300,000
14 Liquor Control Board Construction and Maintenance
15 Account: For transfer to the state general fund
16 for fiscal year 2011 \$3,000,000

(End of part)

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