

ESB 5967 - H AMD  
By Representative

1 Strike everything after the enacting clause and insert the  
2 following:

3 "PART I  
4 GENERAL GOVERNMENT

5 **Sec. 101.** 2011 2nd sp.s. c 9 s 101 (uncodified) is amended to read  
6 as follows:

7 **FOR THE HOUSE OF REPRESENTATIVES**

8	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$29,934,000</del> ))
9		<u>\$29,721,000</u>
10	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$30,465,000</del> ))
11		<u>\$28,153,000</u>
12	Motor Vehicle Account--State Appropriation . . . . .	(( <del>\$1,316,000</del> ))
13		<u>\$1,491,000</u>
14	TOTAL APPROPRIATION . . . . .	(( <del>\$61,715,000</del> ))
15		<u>\$59,365,000</u>

16 The appropriations in this section are subject to the following  
17 conditions and limitations: \$50,000 of the general fund--state  
18 appropriation for fiscal year 2013 is provided solely for a joint  
19 select committee on junior taxing districts and local government  
20 finance. The joint select committee will be composed of two members  
21 from each caucus from the house of representatives and from the senate.  
22 The joint select committee shall review junior taxing districts for the  
23 purpose of evaluating their provided services and making  
24 recommendations on the appropriateness of consolidating services into  
25 a general purpose local government. The joint select committee shall  
26 also examine new revenue options for local governments. In completing  
27 its review and recommendations, the joint select committee shall seek  
28 pertinent information and advice from: (1) Organizations representing

1 counties, cities, and junior taxing districts; (2) counties, cities,  
2 and junior taxing districts; (3) the department of revenue; and (4) the  
3 state auditor.

4 **Sec. 102.** 2011 2nd sp.s. c 9 s 102 (uncodified) is amended to read  
5 as follows:

6 **FOR THE SENATE**

7	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$21,770,000</del> ))
8		<u>\$21,446,000</u>
9	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$23,864,000</del> ))
10		<u>\$21,753,000</u>
11	Motor Vehicle Account--State Appropriation . . . . .	(( <del>\$1,400,000</del> ))
12		<u>\$1,421,000</u>
13	TOTAL APPROPRIATION . . . . .	(( <del>\$47,034,000</del> ))
14		<u>\$44,620,000</u>

15 The appropriations in this section are subject to the following  
16 conditions and limitations: \$50,000 of the general fund--state  
17 appropriation for fiscal year 2013 is provided solely for a joint  
18 select committee on junior taxing districts and local government  
19 finance. The joint select committee will be composed of two members  
20 from each caucus from the house of representatives and from the senate.  
21 The joint select committee shall review junior taxing districts for the  
22 purpose of evaluating their provided services and making  
23 recommendations on the appropriateness of consolidating services into  
24 a general purpose local government. The joint select committee shall  
25 also examine new revenue options for local governments. In completing  
26 its review and recommendations, the joint select committee shall seek  
27 pertinent information and advice from: (1) Organizations representing  
28 counties, cities, and junior taxing districts; (2) counties, cities,  
29 and junior taxing districts; (3) the department of revenue; and (4) the  
30 state auditor.

31 **Sec. 103.** 2011 1st sp.s. c 50 s 103 (uncodified) is amended to  
32 read as follows:

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

34	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,680,000</del> ))
35		<u>\$2,589,000</u>
36	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,741,000</del> ))

1		<u>\$2,773,000</u>
2	<u>Forest Fire Protection Assessment Account--State</u>	
3	<u>Appropriation . . . . .</u>	<u>\$250,000</u>
4	Medical Aid Account--State Appropriation . . . . .	\$85,000
5	Accident Account--State Appropriation . . . . .	\$85,000
6	TOTAL APPROPRIATION . . . . .	(( <del>\$5,591,000</del> ))
7		<u>\$5,782,000</u>

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

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

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

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

28       (a) An analysis of marketing expenses and the impact on ticket  
29 sales; the impact to sales of tickets from the change in lottery  
30 beneficiaries; the competitive contracting processes for marketing  
31 services and vendors and comparison to other states; identification of  
32 whether there are duplicative or unproductive marketing activities; and  
33 identification of whether savings may occur from changing vendors.

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

37       (4) \$85,000 of the medical aid account--state appropriation and  
38 \$85,000 of the accident account--state appropriation are provided

1 solely for the purposes of House Bill No. 2123 (workers' compensation).  
2 If the bill is not enacted by June 30, 2011, the amounts provided in  
3 this subsection shall lapse.

4 (5) The joint legislative audit and review committee shall review  
5 and provide an update on the extent to which the Puget Sound  
6 partnership's 2012 action agenda, state of the sound report, and other  
7 activities implement the recommendations of the joint legislative audit  
8 and review committee's 2011 audit entitled "Processes required to  
9 measure Puget Sound restoration are not yet in place." The update must  
10 be provided to the relevant policy committees of the senate and house  
11 of representatives by January 1, 2013.

12 (6)(a) \$250,000 of the forest fire protection assessment account--  
13 state appropriation is provided solely for the joint legislative audit  
14 and review committee to provide analysis and recommendations to improve  
15 the efficiency and effectiveness of the state's mechanisms for funding  
16 fire prevention and suppression activities.

17 (b) The analysis must provide for: (i) Consultation with the  
18 appropriate committees of the legislature, the office of financial  
19 management, the department of natural resources, and appropriate  
20 stakeholders at the onset of the analysis regarding the scope of and  
21 timeline for the analysis and recommendations; (ii) by September 1,  
22 2012, development of initial analysis of potential means to improve the  
23 efficiency and effectiveness of the state's mechanisms for funding fire  
24 prevention and suppression activities, including analysis of such  
25 options as the use of private or state insurance, the increased use of  
26 revolving accounts, and any examples where those mechanisms have been  
27 previously utilized; (iii) following development of the initial  
28 analysis under (b)(ii) of this subsection, distribution of the analysis  
29 and solicitation of input from the entities identified in (b)(i) of  
30 this subsection; and (iv) based on the input under (b)(iii) of this  
31 subsection, development of recommendations for implementation of select  
32 potential means to improve the efficiency and effectiveness of the  
33 state's mechanisms for funding fire prevention and suppression  
34 activities, including the necessary steps for implementation and  
35 opportunities and risks associated with the identified mechanisms.

36 (c) By June 30, 2013, and consistent with RCW 43.01.036, the joint  
37 legislative audit and review committee must provide a report to the

1 appropriate committees of the legislature, including the analysis and  
2 recommendations developed under this subsection.

3 (7) The joint legislative audit and review committee will assess  
4 the costs of the department of fish and wildlife to produce trout to  
5 achieve the department's desired freshwater stocking objectives and  
6 compare these costs to the costs of the alternatives for producing  
7 trout such as contracting for services. As part of its assessment, the  
8 committee will consider the following:

9 (a) The total costs to the department for producing trout at  
10 department trout production facilities, by category of trout  
11 production, to achieve the department's desired freshwater stocking  
12 objectives;

13 (b) The availability of alternative approaches to trout production,  
14 including opportunities to contract with registered aquatic farmers,  
15 and the costs of these alternative approaches; and

16 (c) A review of the experience of other states in contracting or  
17 other alternative approaches to trout production.

18 (d) The committee will complete its assessment and report to the  
19 legislature by December 1, 2012.

20 **Sec. 104.** 2011 1st sp.s. c 50 s 104 (uncodified) is amended to  
21 read as follows:

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

23	General Fund--State Appropriation (FY 2012) . . . . .	(((\$2,027,000))
24		<u>\$2,025,000</u>
25	General Fund--State Appropriation (FY 2013) . . . . .	(((\$2,193,000))
26		<u>\$1,720,000</u>
27	TOTAL APPROPRIATION . . . . .	(((\$4,220,000))
28		<u>\$3,745,000</u>

29 **Sec. 105.** 2011 1st sp.s. c 50 s 106 (uncodified) is amended to  
30 read as follows:

31 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

32	General Fund--State Appropriation (FY 2012) . . . . .	(((\$8,016,000))
33		<u>\$8,013,000</u>
34	General Fund--State Appropriation (FY 2013) . . . . .	(((\$7,911,000))
35		<u>\$7,676,000</u>
36	TOTAL APPROPRIATION . . . . .	(((\$15,927,000))

2 **Sec. 106.** 2011 1st sp.s. c 50 s 105 (uncodified) is amended to  
3 read as follows:

4 **FOR THE OFFICE OF THE STATE ACTUARY**

5	<del>((General Fund--State Appropriation (FY 2012) . . . . .</del>	<del>\$24,000</del>
6	<del>General Fund--State Appropriation (FY 2013) . . . . .</del>	<del>\$24,000))</del>
7	Department of Retirement Systems Expense	
8	Account--State Appropriation . . . . .	(( <del>\$3,344,000</del> ))
9		<u>\$3,323,000</u>
10	(( <del>TOTAL APPROPRIATION . . . . .</del> <del>\$3,392,000</del> ))	

11 The appropriations in this section are subject to the following  
12 conditions and limitations: \$75,000 of the department of retirement  
13 services account--state appropriation is for the state actuary to study  
14 the issue of merging the law enforcement officers' and fire fighters'  
15 retirement system plans 1 and 2 into a single retirement plan. The  
16 department of retirement systems shall assist the state actuary by  
17 providing such information and advice as the state actuary requests,  
18 and the state actuary may contract for services as needed to conduct  
19 the study. The results of the study shall be reported to the ways and  
20 means committees of the house of representatives and the senate by  
21 December 15, 2011.

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

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

28 (b) Changes to the projected contributions that might be required  
29 of members, employers, and the state based on a range of possible  
30 economic and demographic experience and a variety of funding policies,  
31 including both continued application of current funding policy to the  
32 benefit obligations of each plan, and application of the law  
33 enforcement officers' and fire fighters' retirement system plan 2  
34 funding policies to the combined benefits of both plans;

35 (2) The state actuary shall solicit the input of the law  
36 enforcement officers' and fire fighters' retirement system plan 2  
37 retirement board and organizations representing members and retirees of

1 the law enforcement officers' and fire fighters' retirement system plan  
2 1 on the issue of the merger of the two plans, and include  
3 representative submissions of the input of the organizations along with  
4 the report.

5 **Sec. 107.** 2011 2nd sp.s. c 9 s 103 (uncodified) is amended to read  
6 as follows:

7 **FOR THE STATUTE LAW COMMITTEE**

8	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$4,248,000</del> ))
9		<u>\$4,245,000</u>
10	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$4,689,000</del> ))
11		<u>\$4,523,000</u>
12	TOTAL APPROPRIATION . . . . .	(( <del>\$8,937,000</del> ))
13		<u>\$8,768,000</u>

14 **Sec. 108.** 2011 1st sp.s. c 50 s 108 (uncodified) is amended to  
15 read as follows:

16 **FOR THE REDISTRICTING COMMISSION**

17	General Fund--State Appropriation (FY 2012) . . . . .	\$1,627,000
18	General Fund--State Appropriation (FY 2013) . . . . .	\$154,000
19	TOTAL APPROPRIATION . . . . .	\$1,781,000

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

22 (1) \$443,000 of the general fund--state appropriation for fiscal  
23 year 2012 is provided solely for the support of legislative  
24 redistricting efforts. The commission shall enter into an interagency  
25 agreement with the house of representatives and the senate for the  
26 expenditure of these funds.

27 (2) The entire general fund--state appropriation for fiscal year  
28 2013 is provided solely for the payment of expenses associated with the  
29 cessation of the commission's operations. The secretary of the senate  
30 and chief clerk of the house of representatives may jointly authorize  
31 the expenditure of these funds.

32 NEW SECTION. **Sec. 109.** A new section is added to 2011 1st sp.s.  
33 c 50 (uncodified) to read as follows:

34 **FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES**

35 General Fund--State Appropriation (FY 2013) . . . . . \$3,016,000

1 NEW SECTION. **Sec. 110.** A new section is added to 2011 1st sp.s.  
2 c 50 (uncodified) to read as follows:

3 **LEGISLATIVE AGENCIES**

4 In order to achieve operating efficiencies within the financial  
5 resources available to the legislative branch, the executive rules  
6 committee of the house of representatives and the facilities and  
7 operations committee of the senate by joint action may transfer funds  
8 among the house of representatives, senate, joint legislative audit and  
9 review committee, legislative evaluation and accountability program  
10 committee, legislative transportation committee, office of the state  
11 actuary, joint legislative systems committee, statute law committee,  
12 office of legislative support services, and redistricting commission.

13 **Sec. 111.** 2011 2nd sp.s. c 9 s 104 (uncodified) is amended to read  
14 as follows:

15 **FOR THE SUPREME COURT**

16	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$6,724,000</del> ))
17		<u>\$6,757,000</u>
18	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$6,738,000</del> ))
19		<u>\$6,563,000</u>
20	TOTAL APPROPRIATION . . . . .	(( <del>\$13,462,000</del> ))
21		<u>\$13,320,000</u>

22 **Sec. 112.** 2011 2nd sp.s. c 9 s 105 (uncodified) is amended to read  
23 as follows:

24 **FOR THE LAW LIBRARY**

25	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,506,000</del> ))
26		<u>\$1,504,000</u>
27	<del>((General Fund--State Appropriation (FY 2013) . . . . .</del>	<del>(\$1,466,000))</del>
28	<u>Judicial Information System Account--State</u>	
29	<u>Appropriation . . . . .</u>	<u>\$1,500,000</u>
30	TOTAL APPROPRIATION . . . . .	(( <del>\$2,972,000</del> ))
31		<u>\$3,004,000</u>

32 The appropriations in this section are subject to the following  
33 conditions and limitations: \$50,000 of the judicial information system  
34 account--state appropriation for fiscal year 2013 is provided solely to  
35 evaluate the state law library and assess its operational structure to



1 determine the most effective delivery model for providing library  
2 services.

3 **Sec. 113.** 2011 1st sp.s. c 50 s 112 (uncodified) is amended to  
4 read as follows:

5 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

6	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,057,000</del> ))
7		<u>\$1,053,000</u>
8	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$991,000</del> ))
9		<u>\$975,000</u>
10	TOTAL APPROPRIATION . . . . .	(( <del>\$2,048,000</del> ))
11		<u>\$2,028,000</u>

12 **Sec. 114.** 2011 2nd sp.s. c 9 s 106 (uncodified) is amended to read  
13 as follows:

14 **FOR THE COURT OF APPEALS**

15	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$15,285,000</del> ))
16		<u>\$15,275,000</u>
17	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$15,290,000</del> ))
18		<u>\$15,168,000</u>
19	TOTAL APPROPRIATION . . . . .	(( <del>\$30,575,000</del> ))
20		<u>\$30,443,000</u>

21 **Sec. 115.** 2011 2nd sp.s. c 9 s 107 (uncodified) is amended to read  
22 as follows:

23 **FOR THE ADMINISTRATOR FOR THE COURTS**

24	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$50,692,000</del> ))
25		<u>\$50,725,000</u>
26	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$50,235,000</del> ))
27		<u>\$48,434,000</u>
28	General Fund--Federal Appropriation . . . . .	\$2,532,000
29	General Fund--Private/Local Appropriation . . . . .	\$390,000
30	Judicial Information Systems Account--State	
31	Appropriation . . . . .	(( <del>\$42,414,000</del> ))
32		<u>\$42,362,000</u>
33	Judicial Stabilization Trust Account--State	
34	Appropriation . . . . .	(( <del>\$5,414,000</del> ))
35		<u>\$5,954,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$151,677,000~~))  
2 \$150,397,000

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

5 (1) \$1,800,000 of the general fund--state appropriation for fiscal  
6 year 2012 and ((~~\$1,800,000~~)) \$1,399,000 of the general fund--state  
7 appropriation for fiscal year 2013 are provided solely for school  
8 districts for petitions to juvenile court for truant students as  
9 provided in RCW 28A.225.030 and 28A.225.035. The office of the  
10 administrator for the courts shall develop an interagency agreement  
11 with the superintendent of public instruction to allocate the funding  
12 provided in this subsection. Allocation of this money to school  
13 districts shall be based on the number of petitions filed. This  
14 funding includes amounts school districts may expend on the cost of  
15 serving petitions filed under RCW 28A.225.030 by certified mail or by  
16 personal service or for the performance of service of process for any  
17 hearing associated with RCW 28A.225.030.

18 (2)(a) \$8,252,000 of the general fund--state appropriation for  
19 fiscal year 2012 and ((~~\$8,253,000~~)) \$7,313,000 of the general fund--  
20 state appropriation for fiscal year 2013 are provided solely for  
21 distribution to county juvenile court administrators to fund the costs  
22 of processing truancy, children in need of services, and at-risk youth  
23 petitions. The administrator for the courts, in conjunction with the  
24 juvenile court administrators, shall develop an equitable funding  
25 distribution formula. The formula shall neither reward counties with  
26 higher than average per-petition processing costs nor shall it penalize  
27 counties with lower than average per-petition processing costs.

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

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

6 (4) \$265,000 of the general fund--state appropriation for fiscal  
7 year 2012 is provided solely for the office of public guardianship to  
8 provide guardianship services for low-income incapacitated persons.

9 (5) \$1,178,000 of the judicial information systems account--state  
10 appropriation is provided solely for replacing computer equipment at  
11 state courts and state judicial agencies.

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

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

35 (8) \$540,000 of the judicial stabilization trust account--state  
36 appropriation is provided solely for the office of public guardianship  
37 to continue guardianship services for those low-income incapacitated  
38 persons who were receiving services on June 30, 2012.

1       (9) The Washington association of juvenile court administrators and  
 2 the juvenile rehabilitation administration, in consultation with the  
 3 community juvenile accountability act advisory committee and the  
 4 Washington state institute for public policy, shall analyze and review  
 5 data elements available from the administrative office of the courts  
 6 for possible integration into the evidence-based program quality  
 7 assurance plans and processes. The administrative office of the  
 8 courts, the Washington association of juvenile court administrators,  
 9 and the juvenile rehabilitation administration shall provide  
 10 information necessary to complete the review and analysis. The  
 11 Washington association of juvenile court administrators and the  
 12 juvenile rehabilitation administration shall report the findings of  
 13 their review and analysis, as well as any recommendations, to the  
 14 legislature by December 1, 2012.

15       **Sec. 116.** 2011 2nd sp.s. c 9 s 108 (uncodified) is amended to read  
 16 as follows:

17 **FOR THE OFFICE OF PUBLIC DEFENSE**

18	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$25,030,000</del> ))
19		<u>\$25,025,000</u>
20	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$24,972,000</del> ))
21		<u>\$29,138,000</u>
22	Judicial Stabilization Trust Account--State	
23	Appropriation . . . . .	(( <del>\$2,490,000</del> ))
24		<u>\$4,368,000</u>
25	TOTAL APPROPRIATION . . . . .	(( <del>\$52,492,000</del> ))
26		<u>\$58,531,000</u>

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

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

31       (2) By December 1, 2011, the office of public defense shall submit  
 32 to the appropriate policy and fiscal committees of the legislature a  
 33 proposal for office of public defense to assume the effective and  
 34 efficient administration of defense services for indigent persons  
 35 throughout the state who are involved in proceedings under chapter  
 36 71.09 RCW. In developing its proposal, the office of public defense  
 37 should consult with interested stakeholders, including the King county

1 public defender, the Washington defender association, the Washington  
2 association of criminal defense lawyers, the administrative office of  
3 the courts, the superior court judges association, the office of the  
4 attorney general, the King county prosecuting attorney, the Washington  
5 association of counties, and the department of social and health  
6 services. At a minimum, the proposal should identify:

7 (a) Procedures to control costs and require accountability,  
8 consistent with the state's obligation to ensure the right to counsel  
9 under both the United States Constitution and the Washington  
10 Constitution;

11 (b) Appropriate practice standards for trial-level defense of  
12 indigent persons involved in proceedings under chapter 71.09 RCW, an  
13 estimated number of attorneys statewide who are qualified to provide  
14 such representation, and reasonable compensation for such defense  
15 services;

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

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

20 (3) \$6,065,000 of the general fund--state appropriation for fiscal  
21 year 2013 is provided solely to implement Substitute Senate Bill No.  
22 6493 (sexual predator commitment). If the bill is not enacted by June  
23 30, 2012, the amount provided in this subsection shall lapse.

24 **Sec. 117.** 2011 1st sp.s. c 50 s 115 (uncodified) is amended to  
25 read as follows:

26 **FOR THE OFFICE OF CIVIL LEGAL AID**

27 General Fund--State Appropriation (FY 2012) . . . . .	(((\$11,038,000))
	<u>\$11,037,000</u>
29 General Fund--State Appropriation (FY 2013) . . . . .	(((\$11,048,000))
	<u>\$10,555,000</u>
31 Judicial Stabilization Trust Account--State	
32 Appropriation . . . . .	(((\$1,093,000))
	<u>\$2,073,000</u>
34 TOTAL APPROPRIATION . . . . .	(((\$23,179,000))
	<u>\$23,665,000</u>

36 The appropriations in this section are subject to the following  
37 conditions and limitations: An amount not to exceed \$40,000 of the

1 general fund--state appropriation for fiscal year 2012 and an amount  
2 not to exceed \$40,000 of the general fund--state appropriation for  
3 fiscal year 2013 may be used to provide telephonic legal advice and  
4 assistance to otherwise eligible persons who are sixty years of age or  
5 older on matters authorized by RCW 2.53.030(2) (a) through (k)  
6 regardless of household income or asset level.

7 **Sec. 118.** 2011 2nd sp.s. c 9 s 109 (uncodified) is amended to read  
8 as follows:

9 **FOR THE OFFICE OF THE GOVERNOR**

10	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$5,311,000</del> ))
11		<u>\$5,102,000</u>
12	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$5,292,000</del> ))
13		<u>\$5,247,000</u>
14	Economic Development Strategic Reserve Account--State	
15	Appropriation . . . . .	\$1,500,000
16	TOTAL APPROPRIATION . . . . .	(( <del>\$12,103,000</del> ))
17		<u>\$11,849,000</u>

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

20 (1) \$1,500,000 of the economic development strategic reserve  
21 account appropriation is provided solely for efforts to assist with  
22 currently active industrial recruitment efforts that will bring new  
23 jobs to the state or will retain headquarter locations of major  
24 companies currently housed in the state.

25 (2) ((~~\$547,000~~)) \$540,000 of the general fund--state appropriation  
26 for fiscal year 2012 and ((~~\$547,000~~)) \$526,000 of the general fund--  
27 state appropriation for fiscal year 2013 are provided solely for the  
28 office of the education ombudsman.

29 **Sec. 119.** 2011 1st sp.s. c 50 s 117 (uncodified) is amended to  
30 read as follows:

31 **FOR THE LIEUTENANT GOVERNOR**

32	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$687,000</del> ))
33		<u>\$650,000</u>
34	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$698,000</del> ))
35		<u>\$651,000</u>
36	General Fund--Private/Local Appropriation . . . . .	\$90,000

1 TOTAL APPROPRIATION . . . . . ((~~\$1,475,000~~))  
2 \$1,391,000

3 **Sec. 120.** 2011 2nd sp.s. c 9 s 110 (uncodified) is amended to read  
4 as follows:

5 **FOR THE PUBLIC DISCLOSURE COMMISSION**  
6 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$2,106,000~~))  
7 \$2,009,000  
8 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$2,129,000~~))  
9 \$1,948,000  
10 TOTAL APPROPRIATION . . . . . ((~~\$4,235,000~~))  
11 \$3,957,000

12 The appropriations in this section are subject to the following  
13 conditions and limitations: \$43,000 of the general fund--state  
14 appropriation for fiscal year 2012 and \$82,000 of the general fund--  
15 state appropriation for fiscal year 2013 are provided solely for the  
16 implementation of Engrossed Substitute Senate Bill No. 5021 (election  
17 campaign disclosure).

18 **Sec. 121.** 2011 2nd sp.s. c 9 s 111 (uncodified) is amended to read  
19 as follows:

20 **FOR THE SECRETARY OF STATE**  
21 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$16,014,000~~))  
22 \$16,047,000  
23 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$12,862,000~~))  
24 \$8,613,000  
25 General Fund--Federal Appropriation . . . . . ((~~\$7,338,000~~))  
26 \$7,326,000  
27 Public Records Efficiency, Preservation, and Access  
28 Account--State Appropriation . . . . . ((~~\$7,950,000~~))  
29 \$7,077,000  
30 Charitable Organization Education Account--State  
31 Appropriation . . . . . ((~~\$452,000~~))  
32 \$362,000  
33 Local Government Archives Account--State  
34 Appropriation . . . . . ((~~\$10,557,000~~))  
35 \$8,516,000  
36 Election Account--Federal Appropriation . . . . . ((~~\$17,288,000~~))

1		<u>\$17,284,000</u>
2	Washington State Heritage Center Account--State	
3	Appropriation . . . . .	(( <u>\$1,028,000</u> ))
4		<u>\$5,028,000</u>
5	TOTAL APPROPRIATION . . . . .	(( <u>\$73,489,000</u> ))
6		<u>\$70,253,000</u>

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

9       (1) \$3,898,000 of the general fund--state appropriation for fiscal  
10 year 2012 is provided solely to reimburse counties for the state's  
11 share of primary and general election costs and the costs of conducting  
12 mandatory recounts on state measures. Counties shall be reimbursed  
13 only for those odd-year election costs that the secretary of state  
14 validates as eligible for reimbursement.

15       (2)(a) \$1,847,000 of the general fund--state appropriation for  
16 fiscal year 2012 and \$1,926,000 of the general fund--state  
17 appropriation for fiscal year 2013 are provided solely for contracting  
18 with a nonprofit organization to produce gavel-to-gavel television  
19 coverage of state government deliberations and other events of  
20 statewide significance during the 2011-2013 biennium. The funding  
21 level for each year of the contract shall be based on the amount  
22 provided in this subsection. The nonprofit organization shall be  
23 required to raise contributions or commitments to make contributions,  
24 in cash or in kind, in an amount equal to forty percent of the state  
25 contribution. The office of the secretary of state may make full or  
26 partial payment once all criteria in this subsection have been  
27 satisfactorily documented.

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

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

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



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

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

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

13 **Sec. 122.** 2011 1st sp.s. c 50 s 120 (uncodified) is amended to  
14 read as follows:

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

16	General Fund--State Appropriation (FY 2012) . . . . .	(((\$259,000))
17		<u>\$247,000</u>
18	General Fund--State Appropriation (FY 2013) . . . . .	(((\$267,000))
19		<u>\$250,000</u>
20	TOTAL APPROPRIATION . . . . .	(((\$526,000))
21		<u>\$497,000</u>

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

33 **Sec. 123.** 2011 2nd sp.s. c 9 s 112 (uncodified) is amended to read  
34 as follows:

35 **FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**

36	General Fund--State Appropriation (FY 2012) . . . . .	(((\$236,000))
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1		<u>\$224,000</u>
2	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$219,000</del> ))
3		<u>\$203,000</u>
4	TOTAL APPROPRIATION . . . . .	(( <del>\$455,000</del> ))
5		<u>\$427,000</u>

6       **Sec. 124.** 2011 2nd sp.s. c 9 s 113 (uncodified) is amended to read  
7 as follows:

8       **FOR THE STATE TREASURER**

9	State Treasurer's Service Account--State	
10	Appropriation . . . . .	(( <del>\$14,994,000</del> ))
11		<u>\$13,706,000</u>

12       **Sec. 125.** 2011 2nd sp.s. c 9 s 114 (uncodified) is amended to read  
13 as follows:

14       **FOR THE STATE AUDITOR**

15	State Auditing Services Revolving Account--State	
16	Appropriation . . . . .	(( <del>\$10,293,000</del> ))
17		<u>\$9,209,000</u>
18	Performance Audit of Government Account--State	
19	Appropriation . . . . .	\$1,461,000
20	TOTAL APPROPRIATION . . . . .	(( <del>\$11,754,000</del> ))
21		<u>\$10,670,000</u>

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

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

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

1 and to assist the state special education safety net committee when  
2 requested.

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

11 **Sec. 126.** 2011 1st sp.s. c 50 s 124 (uncodified) is amended to  
12 read as follows:

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

14	General Fund--State Appropriation (FY 2012) . . . . .	(((\$158,000))
15		<u>\$143,000</u>
16	General Fund--State Appropriation (FY 2013) . . . . .	(((\$195,000))
17		<u>\$184,000</u>
18	TOTAL APPROPRIATION . . . . .	(((\$353,000))
19		<u>\$327,000</u>

20 **Sec. 127.** 2011 2nd sp.s. c 9 s 115 (uncodified) is amended to read  
21 as follows:

22 **FOR THE ATTORNEY GENERAL**

23	General Fund--State Appropriation (FY 2012) . . . . .	\$4,758,000
24	General Fund--State Appropriation (FY 2013) . . . . .	(((\$2,727,000))
25		<u>\$7,690,000</u>
26	General Fund--Federal Appropriation . . . . .	(((\$8,819,000))
27		<u>\$10,015,000</u>
28	New Motor Vehicle Arbitration Account--State	
29	Appropriation . . . . .	(((\$972,000))
30		<u>\$968,000</u>
31	Legal Services Revolving Account--State	
32	Appropriation . . . . .	(((\$206,617,000))
33		<u>\$194,494,000</u>
34	Tobacco Prevention and Control Account--State	
35	Appropriation . . . . .	\$270,000
36	<u>Medicaid Fraud Penalty Account--State Appropriation . . . . .</u>	<u>\$1,129,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$224,163,000~~))  
2 \$219,324,000

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

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

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

20 (3) The attorney general shall annually report to the fiscal  
21 committees of the legislature all new *cy pres* awards and settlements  
22 and all new accounts, disclosing their intended uses, balances, the  
23 nature of the claim or account, proposals, and intended timeframes for  
24 the expenditure of each amount. The report shall be distributed  
25 electronically and posted on the attorney general's web site. The  
26 report shall not be printed on paper or distributed physically.

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

32 (5) \$62,000 of the legal services revolving fund--state  
33 appropriation is provided solely to implement House Bill No. 1770  
34 (state purchasing). If the bill is not enacted by June 30, 2011, the  
35 amount provided in this subsection shall lapse.

36 (6) \$5,924,000 of the legal services revolving account--state  
37 appropriation is provided solely to implement House Bill No. 2123

1 (workers' compensation). If the bill is not enacted by June 30, 2011,  
2 the amount provided in this subsection shall lapse.

3 (7) The office of the attorney general is authorized to expend  
4 \$2,100,000 from the Zyprexa and other *cy pres* awards towards consumer  
5 protection costs in accordance with uses authorized in the court  
6 orders.

7 (8) \$96,000 of the legal services revolving fund--state  
8 appropriation is provided solely to implement Senate Bill No. 5076  
9 (financial institutions). If the bill is not enacted by June 30, 2011,  
10 the amount provided in this subsection shall lapse.

11 (9) \$99,000 of the legal services revolving fund--state  
12 appropriation is provided solely to implement Engrossed Second  
13 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill  
14 is not enacted by June 30, 2011, the amount provided in this subsection  
15 shall lapse.

16 (10) \$416,000 of the legal services revolving fund--state  
17 appropriation is provided solely to implement Substitute Senate Bill  
18 No. 5801 (industrial insurance system). If the bill is not enacted by  
19 June 30, 2011, the amount provided in this subsection shall lapse.

20 (11) \$31,000 of the legal services revolving fund--state  
21 appropriation is provided solely to implement Engrossed Substitute  
22 Senate Bill No. 5021 (election campaign disclosure). If the bill is  
23 not enacted by June 30, 2011, the amount provided in this subsection  
24 shall lapse.

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

37 (13) \$11,000 of the legal services revolving fund--state

1 appropriation is provided solely to implement House Bill No. 2301  
2 (boxing, martial arts, wrestling). If the bill is not enacted by June  
3 30, 2012, the amount provided in this subsection shall lapse.

4 (14) \$28,000 of the legal services revolving fund--state  
5 appropriation is provided solely to implement House Bill No. 2253  
6 (state environmental policy act). If the bill is not enacted by June  
7 30, 2012, the amount provided in this subsection shall lapse.

8 (15) \$56,000 of the legal services revolving fund--state  
9 appropriation is provided solely to implement House Bill No. 2319  
10 (affordable care act). If the bill is not enacted by June 30, 2012,  
11 the amount provided in this subsection shall lapse.

12 (16) \$5,743,000 of the general fund--state appropriation for fiscal  
13 year 2013 is provided solely for the legal costs associated with the  
14 evaluation, filing, prosecution, response to petitions for release, and  
15 appeal of sexually violent predator civil commitment cases, as provided  
16 in chapter 71.09 RCW. Within the amount provided in this subsection,  
17 the attorney general may enter into an interagency agreement with a  
18 county prosecutor to perform prosecution services pursuant to chapter  
19 71.09 RCW.

20 (17) \$94,000 of the legal services revolving fund--state  
21 appropriation is provided solely to implement Senate Bill No. 6103  
22 (reflexology and massage therapy). If the bill is not enacted by June  
23 30, 2012, the amount provided in this subsection shall lapse.

24 (18) \$47,000 of the legal services revolving fund--state  
25 appropriation is provided solely for implementation of Engrossed  
26 Substitute Senate Bill No. 6406 (state natural resources). If the bill  
27 is not enacted by June 30, 2012, the amount provided in this subsection  
28 shall lapse.

29 (19) \$57,000 of the legal services revolving fund--state  
30 appropriation is provided solely for implementation of Engrossed  
31 Substitute Senate Bill No. 6237 (medical assistants). If the bill is  
32 not enacted by June 30, 2012, the amount provided in this subsection  
33 shall lapse.

34 (20) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)  
35 is not enacted by June 30, 2012, the amounts appropriated in this  
36 section from the medicaid fraud penalty account--state appropriation  
37 shall lapse and an additional \$730,000 shall be appropriated from the

1 general fund--state for fiscal year 2013 for fraud detection and  
2 prevention activities, recovery of improper payments, and for other  
3 medicaid fraud enforcement activities.

4 **Sec. 128.** 2011 2nd sp.s. c 9 s 116 (uncodified) is amended to read  
5 as follows:

6 **FOR THE CASELOAD FORECAST COUNCIL**

7	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,310,000</del> ))
8		<u>\$1,238,000</u>
9	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$1,309,000</del> ))
10		<u>\$1,219,000</u>
11	TOTAL APPROPRIATION . . . . .	(( <del>\$2,619,000</del> ))
12		<u>\$2,457,000</u>

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

15 (1) The appropriations in this section include funding for  
16 activities transferred from the sentencing guidelines commission to the  
17 caseload forecast council pursuant to Engrossed Substitute Senate Bill  
18 No. 5891 (criminal justice cost savings). Prior to the effective date  
19 of Engrossed Substitute Senate Bill No. 5891, the appropriations in  
20 this section may be expended for the continued operations and expenses  
21 of the sentencing guidelines commission pursuant to the expenditure  
22 authority schedule produced by the office of financial management in  
23 accordance with chapter 43.88 RCW.

24 (2) \$57,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$57,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for the implementation of Senate  
27 Bill No. 5304 (college bound scholarship).

28 **Sec. 129.** 2011 2nd sp.s. c 9 s 117 (uncodified) is amended to read  
29 as follows:

30 **FOR THE DEPARTMENT OF COMMERCE**

31	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$57,261,000</del> ))
32		<u>\$56,811,000</u>
33	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$72,459,000</del> ))
34		<u>\$73,379,000</u>
35	General Fund--Federal Appropriation . . . . .	(( <del>\$282,185,000</del> ))
36		<u>\$338,592,000</u>

1 General Fund--Private/Local Appropriation . . . . . ((~~\$4,989,000~~))  
2 \$4,936,000  
3 Public Works Assistance Account--State  
4 Appropriation . . . . . ((~~\$2,764,000~~))  
5 \$2,733,000  
6 Drinking Water Assistance Administrative  
7 Account--State Appropriation . . . . . \$437,000  
8 Lead Paint Account--State Appropriation . . . . . \$65,000  
9 Building Code Council Account--State Appropriation . . . . . \$13,000  
10 Home Security Fund Account--State Appropriation . . . . . ((~~\$16,652,000~~))  
11 \$21,007,000  
12 Affordable Housing for All Account--State  
13 Appropriation . . . . . ((~~\$11,902,000~~))  
14 \$11,899,000  
15 County Research Services Account--State  
16 Appropriation . . . . . ((~~\$1,081,000~~))  
17 \$541,000  
18 Financial Fraud and Identity Theft Crimes Investigation  
19 and Prosecution Account--State Appropriation . . . . . \$1,166,000  
20 Low-Income Weatherization Assistance Account--State  
21 Appropriation . . . . . ((~~\$5,778,000~~))  
22 \$2,427,000  
23 City and Town Research Services Account--State  
24 Appropriation . . . . . ((~~\$5,166,000~~))  
25 \$2,579,000  
26 ((~~Manufacturing Innovation and Modernization~~  
27 ~~Account--State Appropriation . . . . . \$61,000~~))  
28 Community and Economic Development Fee Account--State  
29 Appropriation . . . . . ((~~\$6,488,000~~))  
30 \$6,781,000  
31 Washington Housing Trust Account--State  
32 Appropriation . . . . . ((~~\$17,498,000~~))  
33 \$17,444,000  
34 Prostitution Prevention and Intervention Account--  
35 State Appropriation . . . . . \$86,000  
36 Public Facility Construction Loan Revolving  
37 Account--State Appropriation . . . . . ((~~\$755,000~~))  
38 \$748,000



1	Washington Community Technology Opportunity Account--	
2	State Appropriation . . . . .	\$713,000
3	<u>Liquor Revolving Account--State Appropriation . . . . .</u>	<u>\$2,315,000</u>
4	TOTAL APPROPRIATION . . . . .	<del>(((\$487,519,000))</del>
5		<u>\$544,672,000</u>

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

28 (12) \$2,000,000 of the community and economic development fee  
29 account appropriation is provided solely for the department of commerce  
30 for services to homeless families through the Washington families fund.

31 (13) (~~(\$260,000)~~) \$234,000 of the general fund--state appropriation  
32 for fiscal year 2012 and (~~(\$259,000)~~) \$233,000 of the general fund--  
33 state appropriation for fiscal year 2013 are provided solely for the  
34 Washington asset building coalitions.

35 (14) \$1,859,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$1,859,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for innovative research teams,  
38 also known as entrepreneurial STARS, at higher education research

1 institutions, and for entrepreneurs-in-residence programs at higher  
2 education research institutions and entrepreneurial assistance  
3 organizations. Of these amounts no more than \$50,000 in fiscal year  
4 2012 and no more than \$50,000 in fiscal year 2013 may be provided for  
5 the operation of entrepreneurs-in-residence programs at entrepreneurial  
6 assistance organizations external to higher education research  
7 institutions.

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

13 (16) \$16,000 of the general fund--state appropriation for fiscal  
14 year 2012 is provided solely to implement section 503 of Substitute  
15 House Bill No. 1277 (licensed settings for vulnerable adults). The  
16 long-term care ombudsman shall convene an adult family home quality  
17 assurance panel to review problems concerning the quality of care for  
18 residents in adult family homes. If Substitute House Bill No. 1277  
19 (licensed settings for vulnerable adults) is not enacted by June 30,  
20 2011, the amount provided in this subsection shall lapse.

21 (17) \$24,605,000 of the general fund--state appropriation for  
22 fiscal year 2012 and \$39,527,000 of the general fund--state  
23 appropriation for fiscal year 2013 are provided solely for  
24 establishment of the essential needs and housing support program  
25 created in Engrossed Substitute House Bill No. 2082 (essential needs  
26 and assistance program). The department of commerce shall contract for  
27 these services with counties or community-based organizations involved  
28 in providing essential needs and housing supports to low-income persons  
29 who meet eligibility pursuant to Engrossed Substitute House Bill No.  
30 2082. The department shall limit the funding used for administration  
31 of the program to no more than five percent. Counties and community  
32 providers shall limit the funding used for administration of the  
33 program to no more than seven percent.

34 (a) Of the amounts provided in this subsection, \$4,000,000 is  
35 provided solely for essential needs to clients who meet the eligibility  
36 established in Engrossed Substitute House Bill No. 2082. Counties and  
37 community-based organizations shall distribute basic essential products  
38 in a manner that prevents abuse. To the greatest extent possible, the

1 counties or community-based organizations shall leverage local or  
2 private funds, and volunteer support to acquire and distribute the  
3 basic essential products.

4 (b) Of the amounts provided in this subsection, (~~(\$30,000,000)~~)  
5 \$60,000,000 is provided solely for housing support services to  
6 individuals who are homeless or who may become homeless, and are  
7 eligible for services under this program pursuant to Engrossed  
8 Substitute House Bill No. 2082.

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

14 (18) \$4,380,000 of the home security fund--state appropriation is  
15 provided solely for the department to provide homeless housing services  
16 in accordance with Engrossed Substitute House Bill No. 2048 (housing  
17 assistance surcharges). If Engrossed Substitute House Bill No. 2048  
18 (housing assistance surcharges) is not enacted by June 30, 2012, the  
19 amounts provided in this subsection shall lapse.

20 (19) \$85,000 of the general fund--state appropriation for fiscal  
21 year 2013 is provided solely for the developmental disabilities council  
22 to contract for a family-to-family mentor program to provide  
23 information and support to families and guardians of persons who are  
24 transitioning out of residential habilitation centers. To the maximum  
25 extent allowable under federal law, these funds shall be matched under  
26 medicaid through the department of social and health services and  
27 federal funds shall be transferred to the department for the purposes  
28 stated in this subsection.

29 (20) \$484,000 of the general fund--state appropriation for fiscal  
30 year 2013 and \$2,315,000 of the liquor revolving account--state  
31 appropriation are provided solely for the department to contract with  
32 the municipal research and services center of Washington.

33 (21) \$1,000,000 of the general fund--state appropriation for fiscal  
34 year 2013 is provided solely for deposit in the shelter to housing  
35 project account, hereby created in the custody of the state treasurer  
36 as a nonappropriated account. The department may expend funds from the  
37 account solely for a two-year pilot project to enable young adults to  
38 move from temporary emergency shelter housing to transitional and

1 permanent housing throughout King county. The pilot project will be  
 2 administered under contract with the YMCA of greater Seattle in  
 3 collaboration with the rising out of the shadows young adult shelter.  
 4 Funding may be used for case management, housing subsidy,  
 5 transportation, shelter services, training and evaluation. The pilot  
 6 project and the shelter to housing project account expire December 31,  
 7 2014.

8 (22) \$12,000 of the general fund--state appropriation for fiscal  
 9 year 2013 is provided solely to implement Engrossed Second Substitute  
 10 Senate Bill No. 5292 (irrigation and port districts). If the bill is  
 11 not enacted by June 30, 2012, the amount provided in this subsection  
 12 shall lapse.

13 **Sec. 130.** 2011 1st sp.s. c 50 s 128 (uncodified) is amended to  
 14 read as follows:

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

16	General Fund--State Appropriation (FY 2012) . . . . .	(((\$674,000))
17		<u>\$648,000</u>
18	General Fund--State Appropriation (FY 2013) . . . . .	(((\$728,000))
19		<u>\$699,000</u>
20	Lottery Administrative Account--State Appropriation . . . . .	\$50,000
21	TOTAL APPROPRIATION . . . . .	(((\$1,452,000))
22		<u>\$1,397,000</u>

23 **Sec. 131.** 2011 2nd sp.s. c 9 s 118 (uncodified) is amended to read  
 24 as follows:

25 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

26	General Fund--State Appropriation (FY 2012) . . . . .	(((\$18,627,000))
27		<u>\$18,344,000</u>
28	General Fund--State Appropriation (FY 2013) . . . . .	(((\$18,851,000))
29		<u>\$18,367,000</u>
30	General Fund--Federal Appropriation . . . . .	(((\$31,534,000))
31		<u>\$31,530,000</u>
32	General Fund--Private/Local Appropriation . . . . .	(((\$1,270,000))
33		<u>\$1,370,000</u>
34	Performance Audits of Government Account--State	
35	Appropriation . . . . .	(((\$25,000))
36		<u>\$198,000</u>

1	Economic Development Strategic Reserve Account--State	
2	Appropriation . . . . .	\$280,000
3	Department of Personnel Services--State	
4	Appropriation . . . . .	(( <del>\$7,827,000</del> ))
5		<u>\$8,551,000</u>
6	Data Processing Revolving Account--State	
7	Appropriation . . . . .	(( <del>\$5,208,000</del> ))
8		<u>\$5,910,000</u>
9	Higher Education Personnel Services Account--State	
10	Appropriation . . . . .	\$1,537,000
11	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$100,000
12	TOTAL APPROPRIATION . . . . .	(( <del>\$85,259,000</del> ))
13		<u>\$86,187,000</u>

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

16       (1) \$1,210,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$1,210,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely for implementation of House Bill  
19 No. 1178 (regulatory assistance office). If the bill is not enacted by  
20 June 30, 2011, the amounts provided in this subsection shall lapse.

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

31       The office of financial management shall solicit the input of  
32 Pierce county, the department of corrections, and the department of  
33 social and health services in developing the request for proposal,  
34 evaluating applications, and directing the evaluation. The consultant  
35 shall report to the governor and legislature by November 15, 2011.

36       (3) \$100,000 of the aquatic lands enhancement account--state  
37 appropriation is provided solely for the office of financial management

1 to prepare a report to be used to initiate a comprehensive, long-range  
2 planning process for the future of McNeil Island during the 2013-2015  
3 fiscal biennium.

4 (a) The report on the initiation of the process must document:

5 (i) Ownership issues, including consultation with the federal  
6 government about its current legal requirements associated with the  
7 island;

8 (ii) Federal and state decision-making processes to change use or  
9 ownership;

10 (iii) Tribal treaty interests;

11 (iv) Fish and wildlife species and their habitats;

12 (v) Land use and public safety needs;

13 (vi) Recreational opportunities for the general public;

14 (vii) Historic and archaeological resources; and

15 (viii) Revenue from and necessary to support potential future uses  
16 of the island.

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

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

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

26 (i) Federal agencies with relevant responsibilities;

27 (ii) Tribal governments;

28 (iii) State agencies;

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

31 (v) Interested private organizations and individuals.

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

34 (4) The appropriations in this section include funding for  
35 activities transferred from the sentencing guidelines commission to the  
36 office of financial management pursuant to Engrossed Substitute Senate  
37 Bill No. 5891 (criminal justice cost savings). Prior to the effective  
38 date of Engrossed Substitute Senate Bill No. 5891, the appropriations

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

5 (5) \$23,000 of the general fund--state appropriation for fiscal  
6 year 2013 is provided solely for the office of regulatory assistance to  
7 implement the following:

8 (a) Coordination of an agency small business liaison team to assist  
9 small businesses with permitting and regulatory issues. The small  
10 business liaison team, as part of the biennial report submitted by the  
11 office of regulatory assistance, must provide recommendations for  
12 improvements to inspection and compliance practices and ways to improve  
13 customer service for regulatory agencies. The office must work with  
14 regulatory agencies to: (i) Assure that additional violations or  
15 corrective actions that could have been discovered and noted in the  
16 original violation or correction notice are not subsequently added and  
17 to provide a single list of any violations discovered during the  
18 regulatory visit or inspection; (ii) provide notice about when the  
19 business may expect the results of a technical assistance or regulatory  
20 visit; (iii) provide information about how the business may provide  
21 anonymous feedback regarding a technical assistance or other regulatory  
22 visit; and (iv) provide information regarding the role of the agency's  
23 small business liaison as a neutral party within the agency, as well as  
24 contact information for the liaison.

25 (b) In coordination with regulatory agencies, development of an  
26 anonymous customer service survey that regulated entities may complete  
27 after an inspection or a technical assistance visit under chapter 43.05  
28 RCW, or a consultative visit under RCW 49.17.250. The survey must  
29 include questions addressing the points in this subsection (b) but may  
30 be designed in a way that best serves the needs of the multiple  
31 agencies and customers that will be using the survey. The survey must  
32 provide a way of identifying the agency that performed the inspection,  
33 and if possible within the resources allowed, provide a means of  
34 identifying the inspector who provided services. Questions should  
35 address the following topics:

36 (i) Whether staff were helpful, friendly, listened to the regulated  
37 party, used professional judgment, and communicated clearly;



1 (ii) Whether the inspector viewed the customer as a partner, worked  
2 on a cooperative relationship, and worked on innovative solutions;

3 (iii) Whether the inspector informed the customer why the customer  
4 received a site visit or inspection, described the site visit or  
5 inspection process, answered questions about the process, and explained  
6 regulatory requirements; and

7 (iv) Whether the inspector was knowledgeable about the businesses  
8 operations and provided useful technical information.

9 The survey must be available on the office web site. The results  
10 of the surveys must be summarized, by agency, in a report and forwarded  
11 to the agency director, the governor, and the appropriate committees of  
12 the legislature. Each agency shall receive a copy of all relevant  
13 survey information. No identifying information may be included that  
14 would reveal the identity of the respondent.

15 (6) \$115,000 of the general fund--state appropriation for fiscal  
16 year 2013 is provided solely for implementation of Engrossed Substitute  
17 House Bill No. 2483 (higher education coordination). If the bill is  
18 not enacted by June 30, 2012, the amount provided in this subsection  
19 shall lapse.

20 (7)(a) The office of financial management shall determine if cost  
21 savings can be achieved by the state through contracting for  
22 interpreter services more effectively. The office of financial  
23 management must work with all state agencies that use interpreter  
24 services to determine:

25 (i) How agencies currently procure interpreter services;

26 (ii) To what degree brokers or foreign language agencies are used  
27 in the acquisition of interpreter services; and

28 (iii) The cost of interpreter services as currently provided.

29 (b) The office of financial management, in consultation with the  
30 department of enterprise services, must also examine approaches to  
31 procuring interpreter services, including using the department of  
32 enterprise services' master contract, limiting overhead costs  
33 associated with interpreter contracts, and direct scheduling of  
34 interpreters. The report must include recommendations for the state to  
35 procure services in a more consistent and cost-effective manner.

36 (c) The office of financial management, in consultation with the  
37 department of labor and industries, must determine the impact that any

1 alternative approach to procuring interpreter services will have on  
2 medical providers.

- 3 (d) The report must include:
- 4 (i) Analysis of the current process for procuring interpreter
- 5 services;
- 6 (ii) Recommendations regarding options to make obtaining
- 7 interpreter services more consistent and cost-effective; and
- 8 (iii) Estimates for potential cost savings.
- 9 (e) The office of financial management must report to the fiscal
- 10 committees of the legislature by December 1, 2012.

11 **Sec. 132.** 2011 2nd sp.s. c 9 s 119 (uncodified) is amended to read  
12 as follows:

13 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

14 Administrative Hearings Revolving Account--State

15 Appropriation . . . . .	(( <del>\$34,043,000</del> ))
16	<u>\$35,703,000</u>

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

23 **Sec. 133.** 2011 2nd sp.s. c 9 s 120 (uncodified) is amended to read  
24 as follows:

25 **FOR THE WASHINGTON STATE LOTTERY**

26 Lottery Administrative Account--State

27 Appropriation . . . . .	(( <del>\$25,709,000</del> ))
28	<u>\$24,691,000</u>

29 **Sec. 134.** 2011 1st sp.s. c 50 s 132 (uncodified) is amended to  
30 read as follows:

31 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

32 General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$246,000</del> ))
33	<u>\$233,000</u>
34 General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$250,000</del> ))
35	<u>\$234,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$496,000~~))  
2 \$467,000

3 **Sec. 135.** 2011 1st sp.s. c 50 s 133 (uncodified) is amended to  
4 read as follows:

5 **FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS**  
6 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$239,000~~))  
7 \$219,000  
8 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$238,000~~))  
9 \$226,000  
10 TOTAL APPROPRIATION . . . . . ((~~\$477,000~~))  
11 \$445,000

12 **Sec. 136.** 2011 2nd sp.s. c 9 s 121 (uncodified) is amended to read  
13 as follows:

14 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**  
15 Department of Retirement Systems Expense  
16 Account--State Appropriation . . . . . ((~~\$47,049,000~~))  
17 \$46,511,000

18 The appropriation in this section is subject to the following  
19 conditions and limitations:

20 (1) \$146,000 of the department of retirement systems--state  
21 appropriation is provided solely for the administrative costs  
22 associated with implementation of House Bill No. 2070 (state and local  
23 government employees). If the bill is not enacted by June 30, 2011,  
24 the amount provided in this subsection shall lapse.

25 (2) \$65,000 of the department of retirement systems--state  
26 appropriation is provided solely for the administrative costs  
27 associated with implementation of House Bill No. 1625 (plan 3 default  
28 investment option). If the bill is not enacted by June 30, 2011, the  
29 amount provided in this subsection shall lapse.

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

35 (4) \$15,000 of the department of retirement systems expense  
36 account--state appropriation is provided solely for the administrative

1 costs associated with implementation of Substitute House Bill No. 2021  
2 (plan 1 annual increase amounts). If the bill is not enacted by June  
3 30, 2011, the amount provided in this section shall lapse.

4 (5) \$32,000 of the department of retirement systems--state  
5 appropriation is provided solely for the administrative costs  
6 associated with implementation of Engrossed Senate Bill No. 5159 (state  
7 patrol retirement system service credit). If the bill is not enacted  
8 by June 30, 2012, the amount provided in this subsection shall lapse.

9 **Sec. 137.** 2011 2nd sp.s. c 9 s 122 (uncodified) is amended to read  
10 as follows:

11 **FOR THE DEPARTMENT OF REVENUE**

12	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$100,927,000</del> ))
13		<u>\$100,694,000</u>
14	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$100,801,000</del> ))
15		<u>\$99,220,000</u>
16	Timber Tax Distribution Account--State Appropriation . .	(( <del>\$5,940,000</del> ))
17		<u>\$5,900,000</u>
18	Waste Reduction/Recycling/Litter Control--State	
19	Appropriation . . . . .	\$129,000
20	Waste Tire Removal Account--State Appropriation . . . . .	\$2,000
21	State Toxics Control Account--State Appropriation . . . . .	\$87,000
22	Oil Spill Prevention Account--State Appropriation . . . . .	\$19,000
23	Master License Fund--State Appropriation . . . . .	(( <del>\$14,012,000</del> ))
24		<u>\$13,922,000</u>
25	Vehicle License Fraud Account--State Appropriation . . . . .	\$5,000
26	Performance Audits of Government Account--State	
27	Appropriation . . . . .	\$3,188,000
28	TOTAL APPROPRIATION . . . . .	(( <del>\$225,110,000</del> ))
29		<u>\$223,166,000</u>

30 **Sec. 138.** 2011 1st sp.s. c 50 s 137 (uncodified) is amended to  
31 read as follows:

32 **FOR THE BOARD OF TAX APPEALS**

33	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,241,000</del> ))
34		<u>\$1,200,000</u>
35	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$1,219,000</del> ))
36		<u>\$1,139,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$2,460,000~~))  
2 \$2,339,000

3 **Sec. 139.** 2011 2nd sp.s. c 9 s 123 (uncodified) is amended to read  
4 as follows:

5 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**  
6 OMWBE Enterprises Account--State Appropriation . . . . . ((~~\$3,264,000~~))  
7 \$3,654,000

8 **Sec. 140.** 2011 2nd sp.s. c 9 s 125 (uncodified) is amended to read  
9 as follows:

10 **FOR THE INSURANCE COMMISSIONER**  
11 General Fund--Federal Appropriation . . . . . ((~~\$4,452,000~~))  
12 \$4,450,000  
13 Insurance Commissioners Regulatory Account--State  
14 Appropriation . . . . . ((~~\$47,514,000~~))  
15 \$48,015,000  
16 TOTAL APPROPRIATION . . . . . ((~~\$51,966,000~~))  
17 \$52,465,000

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

- 20 (1) \$75,000 of the insurance commissioner's regulatory  
21 account--state appropriation is provided solely for the implementation  
22 of Substitute Senate Bill No. 5445 (health benefit exchange).  
23 (2) \$42,000 of the insurance commissioner's regulatory  
24 account--state appropriation is provided solely for the implementation  
25 of Senate Bill No. 5213 (insurance statutes).  
26 (3) \$758,000 of the insurance commissioners regulatory account--  
27 state appropriation is provided solely to implement Engrossed Second  
28 Substitute House Bill No. 2319 (affordable care act). If the bill is  
29 not enacted by June 30, 2012, the amount provided in this subsection  
30 shall lapse.

31 **Sec. 141.** 2011 1st sp.s. c 50 s 136 (uncodified) is amended to  
32 read as follows:

33 **FOR THE STATE INVESTMENT BOARD**  
34 State Investment Board Expense Account--State  
35 Appropriation . . . . . ((~~\$29,256,000~~))

1 \$29,076,000

2 **Sec. 142.** 2011 2nd sp.s. c 9 s 128 (uncodified) is amended to read  
3 as follows:

4 **FOR THE LIQUOR CONTROL BOARD**

5	Liquor Control Board Construction and Maintenance	
6	Account--State Appropriation . . . . .	(( <del>\$10,081,000</del> ))
7		<u>\$3,063,000</u>
8	Liquor Revolving Account--State Appropriation . . . . .	(( <del>\$176,238,000</del> ))
9		<u>\$171,974,000</u>
10	General Fund--Federal Appropriation . . . . .	(( <del>\$120,000</del> ))
11		<u>\$945,000</u>
12	<u>General Fund--Private/Local Appropriation . . . . .</u>	<u>\$25,000</u>
13	TOTAL APPROPRIATION . . . . .	(( <del>\$186,439,000</del> ))
14		<u>\$176,007,000</u>

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

17 (1) The legislature intends to facilitate the orderly transition of  
18 liquor services as required by Initiative Measure No. 1183. For liquor  
19 control board employees that remain through June 15, 2012, a temporary  
20 opportunity to cash out sick leave is provided to assist the unique  
21 challenges to the liquor control board and its employees posed by this  
22 transition.

23 (2) Within the amounts appropriated in this section from the liquor  
24 revolving account--state appropriation, liquor control board employees  
25 who: (a) Occupy positions in the job classifications provided in  
26 subsection (3)(c) of this section that will be eliminated after the  
27 liquor control board ceases to distribute liquor; and (b) remain as  
28 liquor control board employees through June 15, 2012, and who separate  
29 from service due to lay off by October 1, 2012, may elect to receive  
30 remuneration for their entire sick leave balance at a rate equal to one  
31 day's current monetary compensation of the employee for each four full  
32 days of accrued sick leave.

33 (3) The following conditions apply to sick leave cash out under  
34 this subsection:

35 (a) The rate of monetary compensation for the purposes of this  
36 subsection shall not be reduced by any temporary salary reduction;

1 (b) Remuneration or benefits received under this subsection shall  
2 not be included for the purpose of computing a retirement allowance  
3 under any public retirement system in this state;

4 (c) The following job classifications are eligible:

5 (i) Liquor store clerk;

6 (ii) Retail assistant store manager 1;

7 (iii) Retail assistant store manager 2;

8 (iv) Retail store manager 3;

9 (v) Retail store manager 4;

10 (vi) Retail district manager;

11 (vii) Retail operations manager;

12 (viii) Director of retail services;

13 (ix) Director of distribution center;

14 (x) Director of purchasing;

15 (xi) Director of business enterprise;

16 (xii) Warehouse operator 1;

17 (xiii) Warehouse operator 2;

18 (xiv) Warehouse operator 3; and

19 (xv) Warehouse operator 4; and

20 (d) Should the legislature revoke any remuneration or benefits  
21 granted under this section, an affected employee shall not be entitled  
22 thereafter to receive such benefits as a matter of contractual right.

23 **Sec. 143.** 2011 2nd sp.s. c 9 s 129 (uncodified) is amended to read  
24 as follows:

25 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

26 General Fund--Federal Appropriation . . . . . \$502,000

27 General Fund--Private/Local Appropriation . . . . . ((~~\$11,175,000~~))

28 \$11,166,000

29 Public Service Revolving Account--State

30 Appropriation . . . . . ((~~\$30,992,000~~))

31 \$30,873,000

32 Pipeline Safety Account--State Appropriation . . . . . ((~~\$3,201,000~~))

33 \$3,183,000

34 Pipeline Safety Account--Federal Appropriation . . . . . ((~~\$2,848,000~~))

35 \$2,844,000

36 TOTAL APPROPRIATION . . . . . ((~~\$48,718,000~~))

37 \$48,568,000

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

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

8 (2) \$15,000 of the pipeline safety account--state appropriation is  
9 provided solely for the implementation of Engrossed Second Substitute  
10 House Bill No. 1634 (underground utilities).

11 (3) \$182,000 of the public service revolving account--state  
12 appropriation is provided solely for the implementation of Engrossed  
13 Second Substitute Senate Bill No. 5769 (coal-fired generation).

14 (4) \$169,000 of the public service revolving account--state  
15 appropriation is provided solely for the implementation of Second  
16 Substitute Senate Bill No. 5034 (private infrastructure).

17 **Sec. 144.** 2011 2nd sp.s. c 9 s 130 (uncodified) is amended to read  
18 as follows:

19 **FOR THE MILITARY DEPARTMENT**

20	General Fund--State Appropriation (FY 2012) . . . . .	(((\$7,175,000))
21		<u>\$7,122,000</u>
22	General Fund--State Appropriation (FY 2013) . . . . .	(((\$7,175,000))
23		<u>\$6,971,000</u>
24	General Fund--Federal Appropriation . . . . .	(((\$159,181,000))
25		<u>\$159,075,000</u>
26	Enhanced 911 Account--State Appropriation . . . . .	(((\$46,556,000))
27		<u>\$48,620,000</u>
28	Disaster Response Account--State Appropriation . . . . .	(((\$17,933,000))
29		<u>\$23,119,000</u>
30	Disaster Response Account--Federal Appropriation . . . . .	(((\$66,266,000))
31		<u>\$91,368,000</u>
32	Military Department Rent and Lease Account--State	
33	Appropriation . . . . .	\$615,000
34	Worker and Community Right-to-Know Account--State	
35	Appropriation . . . . .	(((\$2,165,000))
36		<u>\$2,163,000</u>
37	TOTAL APPROPRIATION . . . . .	(((\$307,066,000))



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

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

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

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

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

Sec. 145. 2011 2nd sp.s. c 9 s 131 (uncodified) is amended to read as follows:

**FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,346,000</del> ))
	<u>\$2,104,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,400,000</del> ))
	<u>\$2,133,000</u>
Higher Education Personnel Services Account--State	
Appropriation . . . . .	(( <del>\$251,000</del> ))
	<u>\$276,000</u>
Department of Personnel Service Account--State	

1 Appropriation . . . . . ((~~\$3,309,000~~))  
 2 \$3,290,000  
 3 TOTAL APPROPRIATION . . . . . ((~~\$8,306,000~~))  
 4 \$7,803,000

5 **Sec. 146.** 2011 2nd sp.s. c 9 s 126 (uncodified) is amended to read  
 6 as follows:

7 **FOR THE BOARD OF ACCOUNTANCY**  
 8 Certified Public Accountants' Account--State  
 9 Appropriation . . . . . ((~~\$2,808,000~~))  
 10 \$2,647,000

11 **Sec. 147.** 2011 1st sp.s. c 50 s 142 (uncodified) is amended to  
 12 read as follows:

13 **FOR THE FORENSIC INVESTIGATION COUNCIL**  
 14 Death Investigations Account--State Appropriation . . . . . ((~~\$286,000~~))  
 15 \$490,000

16 The appropriation in this section is subject to the following  
 17 conditions and limitations: \$250,000 of the death investigations  
 18 account appropriation is provided solely for providing financial  
 19 assistance to local jurisdictions in multiple death investigations.  
 20 The forensic investigation council shall develop criteria for awarding  
 21 these funds for multiple death investigations involving an  
 22 unanticipated, extraordinary, and catastrophic event or those involving  
 23 multiple jurisdictions.

24 **Sec. 148.** 2011 2nd sp.s. c 9 s 127 (uncodified) is amended to read  
 25 as follows:

26 **FOR THE HORSE RACING COMMISSION**  
 27 Horse Racing Commission Operating Account--State  
 28 Appropriation . . . . . ((~~\$4,007,000~~))  
 29 \$3,963,000

30 **Sec. 149.** 2011 2nd sp.s. c 9 s 132 (uncodified) is amended to read  
 31 as follows:

32 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**  
 33 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$3,501,000~~))  
 34 \$3,401,000

1	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$3,495,000</del> ))
2		<u>\$3,309,000</u>
3	General Fund--Federal Appropriation . . . . .	\$177,000
4	General Fund--Private/Local Appropriation . . . . .	\$368,000
5	Building Code Council Account--State Appropriation . . .	(( <del>\$1,187,000</del> ))
6		<u>\$1,186,000</u>
7	Department of Personnel Service Account--State	
8	Appropriation . . . . .	(( <del>\$11,119,000</del> ))
9		<u>\$11,117,000</u>
10	Enterprise Services Account--State Appropriation . . .	(( <del>\$26,540,000</del> ))
11		<u>\$26,403,000</u>
12	TOTAL APPROPRIATION . . . . .	(( <del>\$46,387,000</del> ))
13		<u>\$45,961,000</u>

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

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

26       (2) ((~~\$3,090,000~~)) \$3,028,000 of the general fund--state  
27 appropriation for fiscal year 2012 and ((~~\$3,090,000~~)) \$2,967,000 of the  
28 general fund--state appropriation for fiscal year 2013 are provided  
29 solely for the payment of facilities and services charges, utilities  
30 and contracts charges, public and historic facilities charges, and  
31 capital projects surcharges allocable to the senate, house of  
32 representatives, statute law committee, and joint legislative systems  
33 committee. The department shall allocate charges attributable to these  
34 agencies among the affected revolving funds. The department shall  
35 maintain an interagency agreement with these agencies to establish  
36 performance standards, prioritization of preservation and capital  
37 improvement projects, and quality assurance provisions for the delivery  
38 of services under this subsection. The legislative agencies named in

1 this subsection shall continue to enjoy all of the same rights of  
2 occupancy and space use on the capitol campus as historically  
3 established.

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

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

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

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

22 (7) The department of enterprise services shall purchase flags  
23 needed for ceremonial occasions on the capitol campus in order to fully  
24 represent the countries that have an international consulate in  
25 Washington state.

26 **Sec. 150.** 2011 1st sp.s. c 50 s 147 (uncodified) is amended to  
27 read as follows:

28 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**  
29 Volunteer Firefighters' and Reserve Officers'  
30 Administrative Account--State Appropriation . . . . ((\$1,064,000))  
31 \$1,039,000

32 **Sec. 151.** 2011 1st sp.s. c 50 s 151 (uncodified) is amended to  
33 read as follows:

34 **FOR INNOVATE WASHINGTON**  
35 General Fund--State Appropriation (FY 2012) . . . . ((\$2,999,000))  
36 \$2,879,000

1 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$3,011,000~~))  
 2 \$2,773,000  
 3 TOTAL APPROPRIATION . . . . . ((~~\$6,010,000~~))  
 4 \$5,652,000

5 The appropriations in this section are subject to the following  
 6 conditions and limitations: \$65,000 of the general fund--state  
 7 appropriation for fiscal year 2013 is provided solely for the  
 8 implementation of Substitute Senate Bill No. 5982 (aerospace technology  
 9 innovation). If the bill is not enacted by June 30, 2012, the amount  
 10 provided in this subsection shall lapse.

11 **Sec. 152.** 2011 1st sp.s. c 50 s 149 (uncodified) is amended to  
 12 read as follows:

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

14 Washington State Heritage Center Account--State

15 Appropriation . . . . . ((~~\$2,517,000~~))  
 16 \$2,487,000  
 17 General Fund--Federal Appropriation . . . . . ((~~\$1,908,000~~))  
 18 \$1,904,000  
 19 General Fund--Private/Local Appropriation . . . . . \$14,000  
 20 TOTAL APPROPRIATION . . . . . ((~~\$4,439,000~~))  
 21 \$4,405,000

(End of part)

PART II  
HUMAN SERVICES

**Sec. 201.** 2011 2nd sp.s. c 9 s 201 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

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

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under ~~((this))~~ the Washington medicaid integration partnership (WMIP) and the medicare

1 integrated care project (MICP), the health care authority and the  
2 department may combine and transfer such medicaid funds appropriated  
3 under sections 204, 206, 208, and 213 of this act as may be necessary  
4 to finance a unified health care plan for the WMIP and the MICIP program  
5 enrollment. The WMIP pilot projects shall not exceed a daily  
6 enrollment of 6,000 persons, nor expand beyond one county during the  
7 2011-2013 fiscal biennium. The amount of funding assigned from each  
8 program may not exceed the average per capita cost assumed in this act  
9 for individuals covered by that program, actuarially adjusted for the  
10 health condition of persons enrolled, times the number of clients  
11 enrolled. In implementing the WMIP and the MICP, the health care  
12 authority and the department may: ~~((a))~~ (i) Withhold from  
13 calculations of "available resources" as set forth in RCW 71.24.025 a  
14 sum equal to the capitated rate for enrolled individuals; and ~~((b))~~  
15 (ii) employ capitation financing and risk-sharing arrangements in  
16 collaboration with health care service contractors licensed by the  
17 office of the insurance commissioner and qualified to participate in  
18 both the medicaid and medicare programs. The health care authority and  
19 the department shall conduct an evaluation of the WMIP~~((7))~~ by October  
20 15, 2012, and of the MICP measuring changes in participant health  
21 outcomes, changes in patterns of service utilization, participant  
22 satisfaction, participant access to services, and the state fiscal  
23 impact.

24 (b) Effective January 1, 2013, if Washington has been selected to  
25 participate in phase two of the federal demonstration project for  
26 persons dually-eligible for both medicare and medicaid, the department  
27 and the authority may initiate the MICP. Participation in the project  
28 shall be limited to persons who are eligible for both medicare and  
29 medicaid and to counties in which the county legislative authority has  
30 agreed to the terms and conditions under which it will operate. The  
31 purpose of the project shall be to demonstrate and evaluate ways to  
32 improve care while reducing state expenditures for persons enrolled  
33 both in medicare and medicaid. To that end, prior to initiating the  
34 project, the department and the authority shall assure that state  
35 expenditures shall be no greater on either a per person or total basis  
36 than the state would otherwise incur.

37 (4) The legislature finds that medicaid payment rates, as  
38 calculated by the department pursuant to the appropriations in this

1 act, bear a reasonable relationship to the costs incurred by  
2 efficiently and economically operated facilities for providing quality  
3 services and will be sufficient to enlist enough providers so that care  
4 and services are available to the extent that such care and services  
5 are available to the general population in the geographic area. The  
6 legislature finds that cost reports, payment data from the federal  
7 government, historical utilization, economic data, and clinical input  
8 constitute reliable data upon which to determine the payment rates.

9 (5) The department shall to the maximum extent practicable use the  
10 same system for delivery of spoken-language interpreter services for  
11 social services appointments as the one established for medical  
12 appointments in section 213 of this act. When contracting directly  
13 with an individual to deliver spoken language interpreter services, the  
14 department shall only contract with language access providers who are  
15 working at a location in the state and who are state-certified or  
16 state-authorized, except that when such a provider is not available,  
17 the department may use a language access provider who meets other  
18 certifications or standards deemed to meet state standards, including  
19 interpreters in other states.

20 (6)(a) The appropriations to the department of social and health  
21 services in this act shall be expended for the programs and in the  
22 amounts specified in this act. However, after May 1, 2012, unless  
23 specifically prohibited by this act, the department may transfer  
24 general fund--state appropriations for fiscal year 2012 among programs  
25 after approval by the director of financial management. However, the  
26 department shall not transfer state moneys that are provided solely for  
27 a specified purpose except as expressly provided in (b) of this  
28 subsection.

29 (b) To the extent that transfers under (a) of this subsection are  
30 insufficient to fund actual expenditures in excess of fiscal year 2012  
31 caseload forecasts and utilization assumptions in the long-term care,  
32 foster care, adoptions support, medicaid personal care, and child  
33 support programs, the department may transfer state moneys that are  
34 provided solely for a specified purpose. The department shall not  
35 transfer funds, and the director of financial management shall not  
36 approve the transfer, unless the transfer is consistent with the  
37 objective of conserving, to the maximum extent possible, the  
38 expenditure of state funds. The director of financial management shall



1 notify the appropriate fiscal committees of the senate and house of  
2 representatives in writing seven days prior to approving any allotment  
3 modifications or transfers under this subsection. The written  
4 notification shall include a narrative explanation and justification of  
5 the changes, along with expenditures and allotments by budget unit and  
6 appropriation, both before and after any allotment modifications or  
7 transfers.

8 **Sec. 202.** 2011 2nd sp.s. c 9 s 202 (uncodified) is amended to read  
9 as follows:

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

12	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$295,011,000</del> ))
13		<u>\$287,014,000</u>
14	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$294,232,000</del> ))
15		<u>\$285,018,000</u>
16	General Fund--Federal Appropriation . . . . .	(( <del>\$487,912,000</del> ))
17		<u>\$479,315,000</u>
18	General Fund--Private/Local Appropriation . . . . .	(( <del>\$1,358,000</del> ))
19		<u>\$1,354,000</u>
20	Home Security Fund--State Appropriation . . . . .	\$10,741,000
21	Domestic Violence Prevention Account--State	
22	Appropriation . . . . .	(( <del>\$1,154,000</del> ))
23		<u>\$1,240,000</u>
24	Education Legacy Trust Account--State Appropriation . . . . .	\$725,000
25	TOTAL APPROPRIATION . . . . .	(( <del>\$1,091,133,000</del> ))
26		<u>\$1,065,407,000</u>

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

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

34 (2) \$668,000 of the general fund--state appropriation for fiscal  
35 year 2012 and \$668,000 of the general fund--state appropriation for  
36 fiscal year 2013 are provided solely to contract for the operation of  
37 one pediatric interim care center. The center shall provide

1 residential care for up to thirteen children through two years of age.  
2 Seventy-five percent of the children served by the center must be in  
3 need of special care as a result of substance abuse by their mothers.  
4 The center shall also provide on-site training to biological, adoptive,  
5 or foster parents. The center shall provide at least three months of  
6 consultation and support to the parents accepting placement of children  
7 from the center. The center may recruit new and current foster and  
8 adoptive parents for infants served by the center. The department  
9 shall not require case management as a condition of the contract. The  
10 department shall collaborate with the pediatric interim care center to  
11 determine if and how the center could be appropriately incorporated  
12 into the performance-based contract model and report its findings to  
13 the legislature by December 1, 2012.

14 (3)(a) (~~(\$85,202,000)~~) \$80,887,000 of the general fund--state  
15 appropriation for fiscal year 2012, (~~(\$85,408,000)~~) \$81,067,000 of the  
16 general fund--state appropriation for fiscal year 2013, and  
17 (~~(\$79,279,000)~~) \$74,800,000 of the general fund--federal appropriation  
18 are provided solely for services for children and families (~~(subject to~~  
19 ~~RCW 74.13.360 and House Bill No. 2122 (child welfare). Prior to~~  
20 ~~approval of contract services pursuant to RCW 74.13.360 and House Bill~~  
21 ~~No. 2122,)).~~ The amounts provided in this section shall be allotted on  
22 a monthly basis and expenditures shall not exceed allotments based on  
23 a three month rolling average without approval of the office of  
24 financial management following notification to the legislative fiscal  
25 committees.

26 (b) The department shall use (~~(performance-based contracts to~~  
27 ~~provide))~~ these services to safely reduce the number of children in  
28 out-of-home care, safely reduce the time spent in out-of-home care  
29 prior to achieving permanency, and safely reduce the number of children  
30 returning to out-of-home care following permanency. The department  
31 shall provide an initial report to the legislature and the governor by  
32 January 15, 2012, regarding the start-up costs associated with  
33 performance-based contracts under RCW 74.13.360 (~~(and House Bill No.~~  
34 ~~2122 (child welfare))~~)).

35 (4) \$176,000 of the general fund--state appropriation for fiscal  
36 year 2012, \$177,000 of the general fund--state appropriation for fiscal  
37 year 2013, \$656,000 of the general fund--private/local appropriation,  
38 \$253,000 of the general fund--federal appropriation, and \$725,000 of

1 the education legacy trust account--state appropriation are provided  
2 solely for children's administration to contract with an educational  
3 advocacy provider with expertise in foster care educational outreach.  
4 The amounts in this subsection are provided solely for contracted  
5 education coordinators to assist foster children in succeeding in K-12  
6 and higher education systems and to assure a focus on education during  
7 the transition to performance based contracts. Funding shall be  
8 prioritized to regions with high numbers of foster care youth and/or  
9 regions where backlogs of youth that have formerly requested  
10 educational outreach services exist. The department shall utilize  
11 private matching funds to maintain educational advocacy services.

12 (5) \$670,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$670,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for services provided through  
15 children's advocacy centers.

16 (6) To ensure expenditures remain within available funds  
17 appropriated in this section as required by RCW 74.13A.005 and  
18 74.13A.020, the secretary shall not set the amount of any adoption  
19 assistance payment or payments, made pursuant to RCW 26.33.320 and  
20 74.13A.005 through 74.13A.080, to more than ninety percent of the  
21 foster care maintenance payment for that child had he or she remained  
22 in a foster family home during the same period. This subsection does  
23 not apply to adoption assistance agreements in existence on the  
24 effective date of this section.

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

1 center bed reduction shall not be based solely upon bed utilization.  
2 The department is to exercise its discretion in reducing the number of  
3 beds but to do so in a manner that maintains availability and  
4 geographic representation of semi-secure and secure crisis residential  
5 centers.

6 (8) \$47,000 of the general fund--state appropriation for fiscal  
7 year 2012, \$14,000 of the general fund--state appropriation for fiscal  
8 year 2013, and \$40,000 of the general fund--federal appropriation are  
9 provided solely to implement Substitute House Bill No. 1697 (dependency  
10 system). If the bill is not enacted by June 30, 2011, the amounts  
11 provided in this subsection shall lapse.

12 (9) \$564,000 of the general fund--federal appropriation is provided  
13 solely to implement Second Substitute House Bill No. 1128 (extended  
14 foster care). If the bill is not enacted by June 30, 2011, the amount  
15 provided in this subsection shall lapse.

16 (10) \$799,000 of the general fund--state appropriation for fiscal  
17 year 2013 and \$799,000 of the general fund--federal appropriation are  
18 provided solely for the implementation of Engrossed Second Substitute  
19 House Bill No. 2264 (child welfare/contracting). If the bill is not  
20 enacted by June 30, 2012, the amounts provided in this subsection shall  
21 lapse.

22 (11) \$178,000 of the general fund--federal appropriation is  
23 provided solely for the implementation of Engrossed Second Substitute  
24 House Bill No. 2592 (extended foster care). If the bill is not enacted  
25 by June 30, 2012, the amount provided in this subsection shall lapse.

26 (12) \$616,000 of the general fund--state appropriation for fiscal  
27 year 2013 and \$616,000 of the general fund--federal appropriation are  
28 provided solely for the implementation of Engrossed Substitute Senate  
29 Bill No. 6555 (child protective services). If the bill is not enacted  
30 by June 30, 2012, the amounts provided in this subsection shall lapse.

31 **Sec. 203.** 2011 2nd sp.s. c 9 s 203 (uncodified) is amended to read  
32 as follows:

33 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**  
34 **REHABILITATION PROGRAM**

35	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$86,684,000</del> ))
36		<u>\$85,731,000</u>
37	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$86,505,000</del> ))

1		<u>\$85,274,000</u>
2	General Fund--Federal Appropriation . . . . .	(( <del>\$3,758,000</del> ))
3		<u>\$3,809,000</u>
4	General Fund--Private/Local Appropriation . . . . .	\$1,903,000
5	Washington Auto Theft Prevention Authority Account--	
6	State Appropriation . . . . .	\$196,000
7	Juvenile Accountability Incentive Account--Federal	
8	Appropriation . . . . .	\$2,801,000
9	TOTAL APPROPRIATION . . . . .	(( <del>\$181,847,000</del> ))
10		<u>\$179,714,000</u>

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

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

22       (2) \$2,716,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$2,716,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for the implementation of chapter  
25 338, Laws of 1997 (juvenile code revisions). The amounts provided in  
26 this subsection are intended to provide funding for county impacts  
27 associated with the implementation of chapter 338, Laws of 1997 and  
28 shall be distributed to counties as prescribed in the current  
29 consolidated juvenile services (CJS) formula.

30       (3) \$3,482,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$3,482,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely to implement community juvenile  
33 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile  
34 code revisions). Funds provided in this subsection may be used solely  
35 for community juvenile accountability grants, administration of the  
36 grants, and evaluations of programs funded by the grants.

37       (4) \$1,130,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$1,130,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely to implement alcohol and substance  
2 abuse treatment programs for locally committed offenders. The juvenile  
3 rehabilitation administration shall award these moneys on a competitive  
4 basis to counties that submitted a plan for the provision of services  
5 approved by the division of alcohol and substance abuse. The juvenile  
6 rehabilitation administration shall develop criteria for evaluation of  
7 plans submitted and a timeline for awarding funding and shall assist  
8 counties in creating and submitting plans for evaluation.

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

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

36 (7)(a) The juvenile rehabilitation administration shall administer  
37 a block grant, rather than categorical funding, of consolidated  
38 juvenile service funds, community juvenile accountability act grants,

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

25 (b) The juvenile rehabilitation administration shall phase the  
26 implementation of the formula provided in subsection (1) of this  
27 section by including a stop-loss formula of five percent in fiscal year  
28 2012 and five percent in fiscal year 2013.

29 (c) The juvenile rehabilitation administration and the juvenile  
30 courts shall establish a block grant funding formula oversight  
31 committee with equal representation from the juvenile rehabilitation  
32 administration and the juvenile courts. The purpose of this committee  
33 is to assess the ongoing implementation of the block grant funding  
34 formula, utilizing data-driven decision making and the most current  
35 available information. The committee will be cochaired by the juvenile  
36 rehabilitation administration and the juvenile courts, who will also  
37 have the ability to change members of the committee as needed to  
38 achieve its purpose. Initial members will include one juvenile court

1 representative from the finance committee, the community juvenile  
2 accountability act committee, the risk assessment quality assurance  
3 committee, the executive board of the Washington association of  
4 juvenile court administrators, the Washington state center for court  
5 research, and a representative of the superior court judges  
6 association; two representatives from the juvenile rehabilitation  
7 administration headquarters program oversight staff, two  
8 representatives of the juvenile rehabilitation administration regional  
9 office staff, one representative of the juvenile rehabilitation  
10 administration fiscal staff and a juvenile rehabilitation  
11 administration division director. The committee may make changes to  
12 the formula categories other than the evidence-based program and  
13 disposition alternative categories if it is determined the changes will  
14 increase statewide service delivery or effectiveness of evidence-based  
15 program or disposition alternative resulting in increased cost benefit  
16 savings to the state. Long-term cost benefit must be considered.  
17 Percentage changes may occur in the evidence-based program or  
18 disposition alternative categories of the formula should it be  
19 determined the changes will increase evidence-based program or  
20 disposition alternative delivery and increase the cost benefit to the  
21 state. These outcomes will also be considered in determining when  
22 evidence-based expansion or special sex offender disposition  
23 alternative funds should be included in the block grant or left  
24 separate.

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

34 (8) The juvenile courts and administrative office of the courts  
35 shall collect and distribute information related to program outcome and  
36 provide access to these data systems to the juvenile rehabilitation  
37 administration and Washington state institute for public policy.  
38 Consistent with chapter 13.50 RCW, all confidentiality agreements



1 necessary to implement this information-sharing shall be approved  
2 within 30 days of the effective date of this section. The agreements  
3 between administrative office of the courts, the juvenile courts, and  
4 the juvenile rehabilitation administration shall be executed to ensure  
5 that the juvenile rehabilitation administration receives the data that  
6 the juvenile rehabilitation administration identifies as needed to  
7 comply with this subsection. This includes, but is not limited to,  
8 information by program at the statewide aggregate level, individual  
9 court level, and individual client level for the purpose of the  
10 juvenile rehabilitation administration providing quality assurance and  
11 oversight for the locally committed youth block grant and associated  
12 funds and at times as specified by the juvenile rehabilitation  
13 administration as necessary to carry out these functions. The data  
14 shall be provided in a manner that reflects the collaborative work the  
15 juvenile rehabilitation administration and juvenile courts have  
16 developed regarding program outcomes that reinforce the greatest cost  
17 benefit to the state in the implementation of evidence-based practices  
18 and disposition alternatives.

19 (9) The Washington association of juvenile court administrators and  
20 the juvenile rehabilitation administration, in consultation with the  
21 community juvenile accountability act advisory committee and the  
22 Washington state institute for public policy, shall analyze and review  
23 data elements available from the administrative office of the courts  
24 for possible integration into the evidence-based program quality  
25 assurance plans and processes. The administrative office of the  
26 courts, the Washington association of juvenile court administrators,  
27 and the juvenile rehabilitation administration shall provide  
28 information necessary to complete the review and analysis. The  
29 Washington association of juvenile court administrators and the  
30 juvenile rehabilitation administration shall report the findings of  
31 their review and analysis, as well as any recommendations, to the  
32 legislature by December 1, 2012.

33 **Sec. 204.** 2011 2nd sp.s. c 9 s 204 (uncodified) is amended to read  
34 as follows:

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

37 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

1	General Fund--State Appropriation (FY 2012) . . . . .	(( <u>\$317,392,000</u> ))
2		<u>\$317,734,000</u>
3	General Fund--State Appropriation (FY 2013) . . . . .	(( <u>\$322,982,000</u> ))
4		<u>\$324,319,000</u>
5	General Fund--Federal Appropriation . . . . .	(( <u>\$448,732,000</u> ))
6		<u>\$449,593,000</u>
7	General Fund--Private/Local Appropriation . . . . .	\$17,864,000
8	Hospital Safety Net Assessment Fund--State	
9	Appropriation . . . . .	(( <u>\$6,802,000</u> ))
10		<u>\$5,251,000</u>
11	TOTAL APPROPRIATION . . . . .	(( <u>\$1,113,772,000</u> ))
12		<u>\$1,114,761,000</u>

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

15       (a) \$109,342,000 of the general fund--state appropriation for  
16 fiscal year 2012 and \$109,341,000 of the general fund--state  
17 appropriation for fiscal year 2013 are provided solely for persons and  
18 services not covered by the medicaid program. This is a reduction of  
19 \$4,348,000 each fiscal year from the nonmedicaid funding that was  
20 allocated for expenditure by regional support networks during fiscal  
21 year 2011 prior to supplemental budget reductions. This \$4,348,000  
22 reduction shall be distributed among regional support networks  
23 proportional to each network's share of the total state population. To  
24 the extent possible, levels of regional support network spending shall  
25 be maintained in the following priority order: (i) Crisis and  
26 commitment services; (ii) community inpatient services; and (iii)  
27 residential care services, including personal care and emergency  
28 housing assistance.

29       (b) \$6,590,000 of the general fund--state appropriation for fiscal  
30 year 2012, \$6,590,000 of the general fund--state appropriation for  
31 fiscal year 2013, and \$7,620,000 of the general fund--federal  
32 appropriation are provided solely for the department and regional  
33 support networks to continue to contract for implementation of high-  
34 intensity programs for assertive community treatment (PACT) teams. In  
35 determining the proportion of medicaid and nonmedicaid funding provided  
36 to regional support networks with PACT teams, the department shall  
37 consider the differences between regional support networks in the  
38 percentages of services and other costs associated with the teams that

1 are not reimbursable under medicaid. The department may allow regional  
2 support networks which have nonmedicaid reimbursable costs that are  
3 higher than the nonmedicaid allocation they receive under this section  
4 to supplement these funds with local dollars or funds received under  
5 section 204(1)(a) of this act. The department and regional support  
6 networks shall maintain consistency with all essential elements of the  
7 PACT evidence-based practice model in programs funded under this  
8 section.

9 (c) \$5,850,000 of the general fund--state appropriation for fiscal  
10 year 2012, \$5,850,000 of the general fund--state appropriation for  
11 fiscal year 2013, and \$1,300,000 of the general fund--federal  
12 appropriation are provided solely for the western Washington regional  
13 support networks to provide either community- or hospital campus-based  
14 services for persons who require the level of care previously provided  
15 by the program for adaptive living skills (PALS) at western state  
16 hospital.

17 (d) The number of nonforensic beds allocated for use by regional  
18 support networks at eastern state hospital shall be 192 per day. The  
19 number of nonforensic beds allocated for use by regional support  
20 networks at western state hospital shall be 557 per day through June  
21 2012, 527 per day from July 2012 through September 2012, and 497 per  
22 day from October 2012 through the remainder of fiscal year 2013.

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

29 (f) \$4,582,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$4,582,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for mental health services for  
32 mentally ill offenders while confined in a county or city jail and for  
33 facilitating access to programs that offer mental health services upon  
34 release from confinement. Beginning in fiscal year 2013, the  
35 department shall report regional outcome data on individuals in jail  
36 who are referred for regional support network services. By December 1,  
37 2012, the department shall provide a report to the relevant fiscal and  
38 policy committees of the legislature on the number of individuals

1 referred to the program who had an evaluation for regional support  
2 network services either during incarceration or within 30 and 60 days  
3 of release from jail; and the number who were made newly eligible or  
4 reinstated to eligibility for medical assistance services either during  
5 incarceration or within 30 and 60 days of release from jail. In  
6 addition, the report shall identify how many of the individuals who  
7 were determined to be eligible for regional support network services  
8 received additional outpatient services within 30 and 60 days of  
9 release from incarceration.

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

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

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

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

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

33 (iii) Mental health services provided in nursing facilities to  
34 individuals with dementia, and consultation to facility staff treating  
35 those individuals; and

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

37 At least annually, the Spokane regional support network shall

1 assess the effectiveness of these services in reducing utilization at  
2 eastern state hospital, identify services that are not optimally  
3 effective, and modify those services to improve their effectiveness.

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

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

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

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

34 (n) The appropriations in this section reflect efficiencies to be  
35 achieved through voluntary consolidation of regional support networks  
36 in accordance with House Bill No. 2139 (regional support networks).  
37 Voluntary consolidation of regional support networks is expected to

1 result in administrative efficiencies and maximize dollars available  
2 for direct services to individuals with mental illnesses without  
3 corresponding increases in state appropriations.

4 (2) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$115,317,000</del> ))
6		<u>\$115,030,000</u>
7	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$114,111,000</del> ))
8		<u>\$106,705,000</u>
9	General Fund--Federal Appropriation . . . . .	(( <del>\$153,324,000</del> ))
10		<u>\$153,618,000</u>
11	General Fund--Private/Local Appropriation . . . . .	\$67,325,000
12	TOTAL APPROPRIATION . . . . .	(( <del>\$450,077,000</del> ))
13		<u>\$442,678,000</u>

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

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

19 (b) \$231,000 of the general fund--state appropriation for fiscal  
20 year 2012 and \$231,000 of the general fund--state appropriation for  
21 fiscal year 2013 are provided solely for a community partnership  
22 between western state hospital and the city of Lakewood to support  
23 community policing efforts in the Lakewood community surrounding  
24 western state hospital. The amounts provided in this subsection (2)(b)  
25 are for the salaries, benefits, supplies, and equipment for one full-  
26 time investigator, one full-time police officer, and one full-time  
27 community service officer at the city of Lakewood.

28 (c) \$45,000 of the general fund--state appropriation for fiscal  
29 year 2012 and \$45,000 of the general fund--state appropriation for  
30 fiscal year 2013 are provided solely for payment to the city of  
31 Lakewood for police services provided by the city at western state  
32 hospital and adjacent areas.

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

1 (3) SPECIAL PROJECTS

2	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,168,000</del> ))
3		<u>\$1,148,000</u>
4	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$1,164,000</del> ))
5		<u>\$1,705,000</u>
6	General Fund--Federal Appropriation . . . . .	\$4,109,000
7	General Fund--Private/Local Appropriation . . . . .	\$700,000
8	TOTAL APPROPRIATION . . . . .	(( <del>\$7,141,000</del> ))
9		<u>\$7,662,000</u>

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

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

17 (b) \$700,000 of the general fund--private/local appropriation is  
18 provided solely for the University of Washington's evidence-based  
19 practice institute which supports the identification, evaluation, and  
20 implementation of evidence-based or promising practices for serving  
21 children and youth with mental health disorders. The department shall  
22 enter into an interagency agreement with the office of the attorney  
23 general for expenditure of \$700,000 of the state's proceeds of the *cy*  
24 *pres* settlement in *State of Washington v. AstraZeneca (Seroquel)* for  
25 this purpose.

26 (c) \$55,000 of the general fund--state appropriation for fiscal  
27 year 2013 is provided solely for the department to contract with the  
28 evidence-based practice institute to consult with the department and  
29 the Washington state institute for public policy in efforts to identify  
30 and expand the use of evidence-based practices for mental health  
31 prevention and treatment services to children in accordance with  
32 Engrossed Second Substitute House Bill No. 2536 (children  
33 services/delivery). Funding provided in this subsection may not be  
34 used to pay for costs of the director of the institute and shall lapse  
35 if Engrossed Second Substitute House Bill No. 2536 (children  
36 services/delivery) is not enacted by June 30, 2012.

37 (d) \$509,000 of the general fund--state appropriation for fiscal  
38 year 2013 is provided solely for training costs associated with

1 implementation of Engrossed Second Substitute House Bill No. 2536  
2 (children services/delivery). The amounts provided in this subsection  
3 must be used for coordinated evidence-based practice training to  
4 programs providing mental health, child welfare, and juvenile justice  
5 services to children. If Engrossed Second Substitute House Bill No.  
6 2536 (children services/delivery) is not enacted by June 30, 2012, the  
7 amount provided in this subsection shall lapse.

8 (4) PROGRAM SUPPORT

9	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$4,476,000</del> ))
10		<u>\$4,485,000</u>
11	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$4,261,000</del> ))
12		<u>\$4,357,000</u>
13	General Fund--Federal Appropriation . . . . .	(( <del>\$7,227,000</del> ))
14		<u>\$7,292,000</u>
15	General Fund--Private/Local Appropriation . . . . .	\$446,000
16	TOTAL APPROPRIATION . . . . .	(( <del>\$16,410,000</del> ))
17		<u>\$16,580,000</u>

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

36 (b) \$19,000 of the general fund--state appropriation for fiscal  
37 year 2012, \$17,000 of the general fund--state appropriation for fiscal  
38 year 2013, and \$34,000 of the general fund--federal appropriation are



1 provided solely to support a partnership among the department of social  
2 and health services, the department of health, and agencies that  
3 deliver medical care and behavioral health services in Cowlitz county.  
4 The partnership shall identify and recommend strategies for resolving  
5 regulatory, licensing, data management, reporting, and funding barriers  
6 to more effective integration of primary medical and behavioral health  
7 care services in the county.

8 (c) \$105,000 of the general fund--state appropriation for fiscal  
9 year 2013 and \$68,000 of the general fund--federal appropriation are  
10 provided solely for staffing costs associated with implementation of  
11 Engrossed Second Substitute House Bill No. 2536 (children  
12 services/delivery). The amounts provided in this subsection must be  
13 used for coordinated evidence-based practice implementation amongst the  
14 department's programs providing mental health, child welfare, and  
15 juvenile justice services to children. If Engrossed Second Substitute  
16 House Bill No. 2536 (children services/delivery) is not enacted by June  
17 30, 2012, the amounts provided in this subsection shall lapse.

18 **Sec. 205.** 2011 2nd sp.s. c 9 s 205 (uncodified) is amended to read  
19 as follows:

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

22 (1) COMMUNITY SERVICES

23 General Fund--State Appropriation (FY 2012) . . . . .	(( \$418,815,000 ))
	<u>\$405,467,000</u>
25 General Fund--State Appropriation (FY 2013) . . . . .	(( \$422,854,000 ))
	<u>\$416,229,000</u>
27 General Fund--Federal Appropriation . . . . .	(( \$743,532,000 ))
	<u>\$751,116,000</u>
29 General Fund--Private/Local Appropriation . . . . .	(( \$184,000 ))
	<u>\$226,000</u>
31 TOTAL APPROPRIATION . . . . .	(( \$1,585,385,000 ))
	<u>\$1,573,038,000</u>

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

35 (a) Individuals receiving services as supplemental security income  
36 (SSI) state supplemental payments shall not become eligible for medical

1 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
2 supplemental payments.

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

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

19 (d) \$944,000 of the general fund--state appropriation for fiscal  
20 year 2012, \$944,000 of the general fund--state appropriation for fiscal  
21 year 2013, and \$1,888,000 of the general fund--federal appropriation  
22 are provided solely for state contributions for individual provider  
23 health care benefits. Pursuant to the collective bargaining agreement  
24 negotiated with the exclusive bargaining representative of individual  
25 providers established under RCW 74.39A.270, the state shall contribute  
26 to the multiemployer health benefits trust fund ((~~\$1.96~~)) \$2.21 per  
27 paid hour worked by individual providers.

28 ~~(e) ((\$1,871,000 of the general fund--state appropriation for~~  
29 ~~fiscal year 2012, \$1,995,000 of the general fund--state appropriation~~  
30 ~~for fiscal year 2013, and \$3,865,000 of the general fund--federal~~  
31 ~~appropriation are provided solely for home care agencies to purchase~~  
32 ~~health coverage for home care providers. The department shall~~  
33 ~~calculate and distribute payments for health care benefits to home care~~  
34 ~~agencies at \$558 per month for each worker who cares for publicly~~  
35 ~~funded clients at 86 hours or more per month. In order to negotiate~~  
36 ~~the most comprehensive health benefits package for its employees, each~~  
37 ~~agency may determine benefit levels according to the hours an employee~~  
38 ~~works providing state-funded personal care. Health benefits shall be~~

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

16 (f)) \$1,127,000 of the general fund--state appropriation for  
17 fiscal year 2012, \$1,199,000 of the general fund--state appropriation  
18 for fiscal year 2013, and \$2,322,000 of the general fund--federal  
19 appropriation are provided solely for the state's contribution to the  
20 training partnership, as provided in RCW 74.39A.360, for instructional  
21 costs associated with the training of individual providers. ((House  
22 Bill No. 1548 and Senate Bill No. 5473 (long term care worker  
23 requirements) make statutory changes to the increased training  
24 requirements and therefore the state shall contribute to the  
25 partnership \$0.17 per paid hour worked by all home care workers. This  
26 amount is pursuant to the collective bargaining agreement negotiated  
27 with the exclusive bargaining representative of individual providers  
28 established under RCW 74.39A.270.)) Contributions are funded at \$0.17  
29 per benefit-eligible paid hour worked by all home care workers and are  
30 sufficient to provide training as required by Initiative Measure No.  
31 1163. Expenditures for the purposes specified in this subsection shall  
32 not exceed the amounts provided in this subsection.

33 (f) \$104,669,000 of the general fund--state appropriation for  
34 fiscal year 2013 and \$104,669,000 of the general fund--federal  
35 appropriation are provided solely for the department to provide  
36 personal care services to waiver and nonwaiver in-home clients. The  
37 department shall provide the legislature with a report by December 5,  
38 2012, on the feasibility of converting the medicaid personal care

1 program for in-home adults to a medicaid program as found in section  
2 1915(i) of the federal social security act that utilizes the option for  
3 self-direction of individualized budgets. The department shall operate  
4 the personal care program within the amounts specifically provided.

5 (g)(i) Within the amounts appropriated in this subsection, the  
6 department shall revise the current working age adult policy to allow  
7 clients to choose between employment and community access activities.  
8 Clients age 21 and older who are receiving services through a home- and  
9 community-based medicaid waiver shall be offered the choice to  
10 transition to a community access program after nine months of  
11 enrollment in an employment program, and the option to transition from  
12 a community access program to an employment program at any time. The  
13 department shall inform clients and their legal representatives of all  
14 available options for employment and day services. Information  
15 provided to the client and the client's legal representative shall  
16 include the types of activities each service option provides, and the  
17 amount, scope, and duration of service for which the client would be  
18 eligible under each service option. An individual client may be  
19 authorized for only one service option, either employment services or  
20 community access services. Clients may not participate in more than  
21 one of these services at any given time.

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

27 (iii) The appropriation in this subsection includes funding to  
28 provide employment or community access services to 168 medicaid  
29 eligible young adults with developmental disabilities living with their  
30 families who need employment opportunities and assistance after high  
31 school graduation.

32 (h) \$75,000 of the general fund--state appropriation for fiscal  
33 year 2012 and \$75,000 of the general fund--state appropriation for  
34 fiscal year 2013 are provided solely for the restoration of direct  
35 support to local organizations that utilize parent-to-parent networks  
36 and communication to promote access and quality of care for individuals  
37 with developmental disabilities and their families.

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

5 (i) The current annual renewal license fee for adult family homes  
6 shall be increased to \$100 per bed beginning in fiscal year 2012 and  
7 (~~(\$175)~~) \$250 per bed beginning in fiscal year 2013. Adult family  
8 homes shall receive a corresponding vendor rate increase per medicaid  
9 patient day of \$0.22 in fiscal year 2012 and (~~(\$0.43)~~) \$0.59 in fiscal  
10 year 2013 to cover the cost of the license fee increase for publicly  
11 funded beds.

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

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

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

37 (2) INSTITUTIONAL SERVICES

38 General Fund--State Appropriation (FY 2012) . . . . . (~~(\$80,815,000)~~)

1		<u>\$75,461,000</u>
2	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$79,939,000</del> ))
3		<u>\$80,405,000</u>
4	General Fund--Federal Appropriation . . . . .	(( <del>\$154,388,000</del> ))
5		<u>\$153,570,000</u>
6	General Fund--Private/Local Appropriation . . . . .	\$22,043,000
7	TOTAL APPROPRIATION . . . . .	(( <del>\$337,185,000</del> ))
8		<u>\$331,479,000</u>

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

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

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

22       (c) \$250,000 of the general fund--state appropriation for fiscal  
23 year 2013 is provided solely for allocation under contract to a school  
24 district in which a residential habilitation center (RHC) is located.  
25 The department must provide the school district with an allocation of  
26 \$25,000 for each person under the age of 21 who between July 1, 2011,  
27 and June 30, 2013, is newly admitted to the RHC and newly enrolled in  
28 the district in which the RHC is located. The purpose of the  
29 allocation is to provide supplemental funding for robust supports and  
30 extraordinary costs for students who are newly admitted to the RHC and  
31 may be experiencing distress while transitioning to a new school  
32 environment.

33       (d) \$600,000 of the general fund--state appropriation for fiscal  
34 year 2013 is provided solely for operations of the Rainier school  
35 vision development committee, hereby established to create a long-range  
36 vision and development plan for the Rainier school.

37       (i) The committee shall consist of:

1       (A) Three members of the legislature representing the thirty-first  
2 legislative district;

3       (B) Two persons representing the cities of Enumclaw and Buckley;

4       (C) Two persons representing the chambers of commerce of the cities  
5 of Enumclaw and Buckley;

6       (D) Two persons representing the friends of Rainier school  
7 organization; and

8       (E) One person representing the Pierce county developmental  
9 disabilities board.

10       (ii) The committee shall create and submit to the legislature a  
11 long-range community vision and development plan for the efficient use  
12 of the Rainier school facility to best serve the needs of persons with  
13 developmental disabilities, including the establishment of a respite  
14 care center for families and other caregivers of persons with  
15 developmental disabilities.

16       (3) PROGRAM SUPPORT

17	General Fund--State Appropriation (FY 2012) . . . . .	(((\$1,380,000))
18		<u>\$1,382,000</u>
19	General Fund--State Appropriation (FY 2013) . . . . .	(((\$1,371,000))
20		<u>\$1,366,000</u>
21	General Fund--Federal Appropriation . . . . .	(((\$1,323,000))
22		<u>\$1,319,000</u>
23	TOTAL APPROPRIATION . . . . .	(((\$4,074,000))
24		<u>\$4,067,000</u>

25       (4) SPECIAL PROJECTS

26	General Fund--State Appropriation (FY 2012) . . . . .	(((\$4,648,000))
27		<u>\$4,634,000</u>
28	General Fund--State Appropriation (FY 2013) . . . . .	(((\$4,637,000))
29		<u>\$4,553,000</u>
30	General Fund--Federal Appropriation . . . . .	(((\$9,575,000))
31		<u>\$9,588,000</u>
32	General Fund--Private/Local Appropriation . . . . .	\$998,000
33	TOTAL APPROPRIATION . . . . .	(((\$19,858,000))
34		<u>\$19,773,000</u>

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

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

20 **Sec. 206.** 2011 2nd sp.s. c 9 s 206 (uncodified) is amended to read  
 21 as follows:

22 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**  
 23 **SERVICES PROGRAM**

24	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$781,995,000</del> ))
25		<u>\$792,059,000</u>
26	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$804,465,000</del> ))
27		<u>\$796,549,000</u>
28	General Fund--Federal Appropriation . . . . .	(( <del>\$1,680,450,000</del> ))
29		<u>\$1,700,522,000</u>
30	General Fund--Private/Local Appropriation . . . . .	(( <del>\$27,517,000</del> ))
31		<u>\$28,871,000</u>
32	Traumatic Brain Injury Account--State Appropriation . . . . .	\$3,388,000
33	Nursing Facility Quality Assurance Account--State	
34	Appropriation . . . . .	(( <del>\$88,071,000</del> ))
35		<u>\$108,511,000</u>
36	TOTAL APPROPRIATION . . . . .	(( <del>\$3,385,886,000</del> ))
37		<u>\$3,429,900,000</u>



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

3 (1) For purposes of implementing chapter 74.46 RCW, the weighted  
4 average nursing facility payment rate shall not exceed \$170.37 for  
5 fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013,  
6 including the rate add-on(~~s~~) described in (a) (~~and (b)~~) of this  
7 subsection. However, if the waiver requested from the federal centers  
8 for medicare and medicaid services in relation to the safety net  
9 assessment created by Engrossed Substitute Senate Bill No. 5581  
10 (nursing home payments) is for any reason not approved and implemented,  
11 the weighted average nursing facility payment rate shall not exceed  
12 \$159.87 for fiscal year 2012 and shall not exceed \$160.93 for fiscal  
13 year 2013. There will be no adjustments for economic trends and  
14 conditions in fiscal years 2012 and 2013. The economic trends and  
15 conditions factor or factors defined in the biennial appropriations act  
16 shall not be compounded with the economic trends and conditions factor  
17 or factors defined in any other biennial appropriations acts before  
18 applying it to the component rate allocations established in accordance  
19 with chapter 74.46 RCW. When no economic trends and conditions factor  
20 for either fiscal year is defined in a biennial appropriations act, no  
21 economic trends and conditions factor or factors defined in any earlier  
22 biennial appropriations act shall be applied solely or compounded to  
23 the component rate allocations established in accordance with chapter  
24 74.46 RCW.

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

37 ~~(b))~~) The department shall do a comparative analysis of the  
38 facility-based payment rates calculated on July 1, (~~2011~~) 2012, using

1 the payment methodology defined in (~~Engrossed Substitute Senate Bill~~  
2 ~~No. 5581 (nursing home payments)~~) chapter 74.46 RCW and as funded in  
3 the omnibus appropriations act, excluding the comparative add-on,  
4 acuity add-on, and safety net reimbursement, to the facility-based  
5 payment rates in effect June 30, 2010. If the facility-based payment  
6 rate calculated on July 1, (~~2011~~) 2012, is smaller than the  
7 facility-based payment rate on June 30, 2010, then the difference shall  
8 be provided to the individual nursing facilities as an add-on payment  
9 per medicaid resident day.

10 (~~(c) During the comparative analysis performed in subsection (b)~~  
11 ~~of this section, if it is found that the direct care rate for any~~  
12 ~~facility calculated using the payment methodology defined in Engrossed~~  
13 ~~Substitute Senate Bill No. 5581 (nursing home payments) is greater than~~  
14 ~~the direct care rate in effect on June 30, 2010, then the facility~~  
15 ~~shall receive a ten percent direct care rate add-on to compensate that~~  
16 ~~facility for taking on more acute clients than they have in the past.)~~)  
17 (b) The direct care rate add-on defined in RCW 74.46.431 to compensate  
18 facilities for taking on more acute clients than they have in the past  
19 is frozen at the March 1, 2012, payment levels.

20 (~~(d)~~) (c) The department shall provide a medicaid rate add-on to  
21 reimburse the medicaid share of the skilled nursing facility safety net  
22 assessment as a medicaid allowable cost. The nursing facility safety  
23 net rate add-on may not be included in the calculation of the annual  
24 statewide weighted average nursing facility payment rate.

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

30 (2) After examining actual nursing facility cost information, the  
31 legislature finds that the medicaid nursing facility rates calculated  
32 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home  
33 payments) provide sufficient reimbursement to efficiently and  
34 economically operating nursing facilities and bear a reasonable  
35 relationship to costs.

36 (3) In accordance with chapter 74.46 RCW, the department shall  
37 issue no additional certificates of capital authorization for fiscal  
38 year 2012 and no new certificates of capital authorization for fiscal

1 year 2013 and shall grant no rate add-ons to payment rates for capital  
2 improvements not requiring a certificate of need and a certificate of  
3 capital authorization for fiscal years 2012 and 2013.

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

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

16 (6) \$1,883,000 of the general fund--state appropriation for fiscal  
17 year 2012, \$1,883,000 of the general fund--state appropriation for  
18 fiscal year 2013, and \$3,766,000 of the general fund--federal  
19 appropriation are provided solely for state contributions for  
20 individual provider health care benefits. Pursuant to the collective  
21 bargaining agreement negotiated with the exclusive bargaining  
22 representative of individual providers established under RCW  
23 74.39A.270, the state shall contribute to the multiemployer health  
24 benefits trust fund ((~~\$1.96~~)) \$2.21 per paid hour worked by individual  
25 providers.

26 (7) (~~(\$16,835,000 of the general fund--state appropriation for~~  
27 ~~fiscal year 2012, \$17,952,000 of the general fund--state appropriation~~  
28 ~~for fiscal year 2013, and \$34,786,000 of the general fund--federal~~  
29 ~~appropriation are provided solely for home care agencies to purchase~~  
30 ~~health coverage for home care providers. The department shall~~  
31 ~~calculate and distribute payments for health care benefits to home care~~  
32 ~~agencies at \$558 per month for each worker who cares for publicly~~  
33 ~~funded clients at 86 hours or more per month. In order to negotiate~~  
34 ~~the most comprehensive health benefits package for its employees, each~~  
35 ~~agency may determine benefit levels according to the hours an employee~~  
36 ~~works providing state-funded personal care. Health benefits shall be~~  
37 ~~offered to all employees who care for publicly funded clients for 86~~  
38 ~~hours per month or more. At a minimum, employees who care for publicly~~

1 funded clients at 140 hours a month or greater must receive a  
2 comprehensive medical benefit. Benefits shall not be provided to  
3 employees who care for publicly funded clients at 85 hours or less per  
4 month or as interim respite workers. The department shall not pay an  
5 agency for benefits provided to an employee who otherwise receives  
6 health care coverage through other family members, other  
7 employment based coverage, or military or veteran's coverage. The  
8 department shall require annually, each home care agency to review each  
9 of its employee's available health coverage and to provide a written  
10 declaration to the department verifying that health benefits purchased  
11 with public funds are solely for employees that do not have other  
12 available coverage. Home care agencies may determine a reasonable  
13 employee co-premium not to exceed 20 percent of the total benefit cost.

14 ~~(8))~~ \$2,063,000 of the general fund--state appropriation for  
15 fiscal year 2012, \$2,195,000 of the general fund--state appropriation  
16 for fiscal year 2013, and \$4,260,000 of the general fund--federal  
17 appropriation are provided solely for the state's contribution to the  
18 training partnership, as provided in RCW 74.39A.360, for instructional  
19 costs associated with the training of individual providers. ((House  
20 Bill No. 1548 and Senate Bill No. 5473 (long term care worker  
21 requirements) make statutory changes to the increased training  
22 requirements and therefore the state shall contribute to the  
23 partnership \$0.17 per paid hour worked by all home care workers. This  
24 amount is pursuant to the collective bargaining agreement negotiated  
25 with the exclusive bargaining representative of individual providers  
26 established under RCW 74.39A.270.)) Contributions are funded at \$0.17  
27 per benefit-eligible paid hour worked by all home care workers and are  
28 sufficient to provide training as required by Initiative Measure No.  
29 1163. Expenditures for the purposes specified in this subsection shall  
30 not exceed the amounts provided in this subsection.

31 (8) \$338,550,000 of the general fund--state appropriation for  
32 fiscal year 2013 and \$338,550,000 of the general fund--federal  
33 appropriation are provided solely for the department to provide  
34 personal care services to waiver and nonwaiver in-home clients. The  
35 department shall provide the legislature with a report by December 5,  
36 2012, on the feasibility of converting the medicaid personal care  
37 program for in-home adults to a medicaid program as found in section

1 1915(i) of the federal social security act that utilizes the option for  
2 self-direction of individualized budgets. The department shall operate  
3 the personal care program within the amounts specifically provided.

4 (9) 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 (10) The department shall eliminate the adult day health program  
9 under the state plan 1915(i) option and shall reestablish it under the  
10 long-term care home and community-based waiver.

11 (~~(\$4,588,000)~~) \$4,823,000 of the general fund--state  
12 appropriation for fiscal year 2012, (~~(\$4,559,000)~~) \$6,474,000 of the  
13 general fund--state appropriation for fiscal year 2013, and  
14 (~~(\$9,237,000)~~) \$11,387,000 of the general fund--federal appropriation  
15 are provided solely for the continued operation of community  
16 residential and support services for persons who are older adults or  
17 who have co-occurring medical and behavioral disorders and who have  
18 been discharged or diverted from a state psychiatric hospital. These  
19 funds shall be used to serve individuals whose treatment needs  
20 constitute substantial barriers to community placement, who no longer  
21 require active psychiatric treatment at an inpatient hospital level of  
22 care, and who no longer meet the criteria for inpatient involuntary  
23 commitment. The department shall prioritize services in order to  
24 reduce utilization and maintain a reduction of 60 beds at western state  
25 hospital that were previously used for long term placements for clients  
26 with dementia, traumatic brain injuries, or other organic brain  
27 disorders. The department shall ensure that a sufficient number of  
28 individuals have been transitioned and diverted from western state  
29 hospital to enable closure of a 30 bed ward on July 1, 2012, and of  
30 another 30 bed ward on October 1, 2012. Coordination of these services  
31 must be done in partnership between the mental health program and the  
32 aging and disability services administration.

33 (12) \$1,840,000 of the general fund--state appropriation for fiscal  
34 year 2012 and \$1,877,000 of the general fund--state appropriation for  
35 fiscal year 2013 are provided solely for operation of the volunteer  
36 services program. Funding shall be prioritized towards serving  
37 populations traditionally served by long-term care services to include  
38 senior citizens and persons with disabilities.

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

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

12 (b) The current annual renewal license fee for adult family homes  
13 shall be increased to \$100 per bed beginning in fiscal year 2012 and  
14 assumes \$1,449,000 of the general fund--private/local appropriation;  
15 and (~~(\$175)~~) \$250 per bed beginning in fiscal year 2013 and assumes  
16 (~~(\$2,463,000)~~) \$3,485,000 of the general fund--private/local  
17 appropriation. Adult family homes shall receive a corresponding vendor  
18 rate increase per medicaid patient day of \$0.22 in fiscal year 2012 and  
19 (~~(\$0.43)~~) \$0.59 in fiscal year 2013 to cover the license fee increase  
20 for publicly funded beds.

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

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

37 (14) \$3,316,000 of the traumatic brain injury account-- state

1 appropriation is provided solely to continue services for persons with  
2 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011  
3 (traumatic brain injury strategic partnership).

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

8 **Sec. 207.** 2011 2nd sp.s. c 9 s 207 (uncodified) is amended to read  
9 as follows:

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

12	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$487,305,000</del> ))
13		<u>\$415,570,000</u>
14	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$503,362,000</del> ))
15		<u>\$452,250,000</u>
16	General Fund--Federal Appropriation . . . . .	(( <del>\$1,167,467,000</del> ))
17		<u>\$1,179,451,000</u>
18	General Fund--Private/Local Appropriation . . . . .	\$30,592,000
19	TOTAL APPROPRIATION . . . . .	(( <del>\$2,188,726,000</del> ))
20		<u>\$2,077,863,000</u>

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

23 (1) ((~~\$258,880,000~~)) \$107,000,000 of the general fund--state  
24 appropriation for fiscal year 2012, ((~~\$297,296,000~~)) \$157,919,000 of  
25 the general fund--state appropriation for fiscal year 2013, and  
26 ((~~\$710,173,000~~)) \$250,601,000 of the general fund--federal  
27 appropriation are provided solely for ((~~all components of the WorkFirst~~  
28 ~~program~~)) assistance to clients including grants and diversion cash  
29 assistance under RCW 74.08A.210. Under section 2 of Engrossed  
30 Substitute Senate Bill No. 5921 (social services programs), the amounts  
31 in this subsection assume that any participant in the temporary  
32 assistance for needy families where their participation is suspended  
33 and does not volunteer to participate in WorkFirst services or  
34 unsubsidized employment does not receive child care subsidies or  
35 WorkFirst subsidies as a condition of the suspension. Within the  
36 amounts provided ((~~for the WorkFirst program~~)) in this subsection, the

1 department may provide assistance using state-only funds for families  
2 eligible for temporary assistance for needy families.

3 (2)(a) \$16,500,000 of the general fund--state appropriation for  
4 fiscal year 2012, \$16,500,000 of the general fund--state appropriation  
5 for fiscal year 2013, and \$137,340,000 of the general fund--federal  
6 appropriation are provided solely for WorkFirst job search, education  
7 and training activities, barrier removal services, and tribal  
8 assistance under RCW 74.08A.040. Funding appropriated in this  
9 subsection (2)(a) must be allocated using a formula that accounts for  
10 client caseload and client outcomes, including outcome and  
11 accountability measures adopted by the legislative-executive WorkFirst  
12 oversight task force under RCW 74.08A.260 and outcomes under RCW  
13 74.08A.410. Funding must be allocated using this formula beginning  
14 July 1, 2012. The department shall present this formula, including  
15 outcome data, to the legislative-executive WorkFirst oversight task  
16 force by July 1, 2012.

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

21 ~~((b))~~ (c) The department may establish a career services work  
22 transition program.

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

31 (d) Within amounts appropriated in this ((section)) subsection,  
32 the legislature expressly mandates that the department exercise its  
33 authority, granted in 1997 under RCW 74.08A.290, to contract for work  
34 activities services pursuant to that statutory authority and RCW  
35 41.06.142(3).

36 ~~((e))~~ (3) \$45,754,000 of the general fund--state appropriation  
37 for fiscal year 2012, \$48,967,000 of the general fund--state



1 appropriation for fiscal year 2013, and \$245,895,000 of the general  
2 fund--federal appropriation are provided solely for the working  
3 connection child care program under RCW 43.215.135.

4 (4) The department shall create a temporary assistance for needy  
5 families budget structure that allows for more transparent tracking of  
6 budget units and subunits of expenditures where these units and  
7 subunits are mutually exclusive from other department budget units.  
8 The budget structure shall include budget units for the following:  
9 Grants, child care, WorkFirst activities, and administration of the  
10 program. The department shall make quarterly expenditure reports to  
11 the legislative-executive WorkFirst oversight task force and  
12 legislative fiscal committees.

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

21 ~~(b) If sufficient savings in subsection (1) of this section are~~  
22 ~~achieved, the department of early learning shall increase the number of~~  
23 ~~child care slots available for the working connections child care~~  
24 ~~program.~~

25 ~~(3) \$23,494,000))~~ (5) The amounts in subsections (1) through (3) of  
26 this section shall be expended for the programs and in the amounts  
27 specified. However, the department may transfer funding between  
28 subsections (1) and (3) of this section, but only if the funding is  
29 available to transfer solely due to utilization or caseload changes.  
30 Amounts in subsection (2) of this section may be transferred to  
31 subsections (1) or (3) of this section. The approval of the director  
32 of the office of financial management is required prior to any transfer  
33 under this subsection. The department shall provide notification prior  
34 to any transfer to the appropriate legislative committees and the  
35 legislative-executive WorkFirst oversight task force.

36 (6) \$23,679,000 of the general fund--state appropriation for fiscal  
37 year 2012, in addition to supplemental security income recoveries, is

1 provided solely for financial assistance and other services to  
2 recipients in the program established in section 4, chapter 8, Laws of  
3 2010 1st sp. sess., until the program terminates on October 31, 2011.

4 ((+4)) (7)(a) (~~(\$13,086,000)~~) \$12,457,000 of the general fund--  
5 state appropriation for fiscal year 2012 and (~~(\$24,788,000)~~)  
6 \$21,959,000 of the general fund--state appropriation for fiscal year  
7 2013, in addition to supplemental security income recoveries, are  
8 provided solely for the programs created in Engrossed Substitute House  
9 Bill No. 2082 (essential needs and assistance program) beginning  
10 November 1, 2011.

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

17 (c) The department shall continue the interagency agreement with  
18 the department of veterans' affairs to establish a process for referral  
19 of veterans who may be eligible for veterans' services. This agreement  
20 must include out-stationing department of veterans' affairs staff in  
21 selected community service office locations in King and Pierce counties  
22 to facilitate applications for veterans' services.

23 ((+5)) (8) \$1,657,000 of the general fund--state appropriation for  
24 fiscal year 2012 and \$1,657,000 of the general fund--state  
25 appropriation for fiscal year 2013 are provided solely for  
26 naturalization services.

27 ((+6)) (9) \$2,366,000 of the general fund--state appropriation for  
28 fiscal year 2012 is provided solely for refugee employment services, of  
29 which \$1,774,000 is provided solely for the department to pass through  
30 to statewide refugee assistance organizations for limited English  
31 proficiency pathway services; and \$2,366,000 of the general fund--state  
32 appropriation for fiscal year 2013 is provided solely for refugee  
33 employment services, of which \$1,774,000 is provided solely for the  
34 department to pass through to statewide refugee assistance  
35 organizations for limited English proficiency pathway services.

36 ((+7)) (10) On December 1, 2011, and annually thereafter, the  
37 department must report to the legislature on all sources of funding  
38 available for both refugee and immigrant services and naturalization

1 services during the current fiscal year and the amounts expended to  
2 date by service type and funding source. The report must also include  
3 the number of clients served and outcome data for the clients.

4 ((+8)) (11) To ensure expenditures remain within available funds  
5 appropriated in this section, the legislature establishes the benefit  
6 under the state food assistance program, pursuant to RCW 74.08A.120, to  
7 be fifty percent of the federal supplemental nutrition assistance  
8 program benefit amount.

9 **Sec. 208.** 2011 2nd sp.s. c 9 s 208 (uncodified) is amended to read  
10 as follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**  
12 **SUBSTANCE ABUSE PROGRAM**

13	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$74,287,000</del> ))
14		<u>\$73,742,000</u>
15	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$74,422,000</del> ))
16		<u>\$71,218,000</u>
17	General Fund--Federal Appropriation . . . . .	(( <del>\$141,514,000</del> ))
18		<u>\$184,401,000</u>
19	General Fund--Private/Local Appropriation . . . . .	(( <del>\$2,086,000</del> ))
20		<u>\$13,486,000</u>
21	Criminal Justice Treatment Account--State	
22	Appropriation . . . . .	\$20,748,000
23	Problem Gambling Account--State Appropriation . . . . .	\$1,448,000
24	TOTAL APPROPRIATION . . . . .	(( <del>\$314,505,000</del> ))
25		<u>\$365,043,000</u>

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

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

33 (2) Within the amounts appropriated in this section, the department  
34 shall continue to provide for chemical dependency treatment services  
35 for adult medicaid eligible, pregnant and parenting women, disability  
36 lifeline, and alcoholism and drug addiction treatment and support act,  
37 and medical care services clients.

1 (3) In accordance with RCW 70.96A.090 and 43.135.055, the  
2 department is authorized to increase fees for the review and approval  
3 of treatment programs in fiscal years 2012 and 2013 as necessary to  
4 support the costs of the regulatory program. The department's fee  
5 schedule shall have differential rates for providers with proof of  
6 accreditation from organizations that the department has determined to  
7 have substantially equivalent standards to those of the department,  
8 including but not limited to the joint commission on accreditation of  
9 health care organizations, the commission on accreditation of  
10 rehabilitation facilities, and the council on accreditation. To  
11 reflect the reduced costs associated with regulation of accredited  
12 programs, the department's fees for organizations with such proof of  
13 accreditation must reflect the lower cost of licensing for these  
14 programs than for other organizations which are not accredited.

15 (4) \$3,500,000 of the general fund--federal appropriation (from the  
16 substance abuse prevention and treatment federal block grant) is  
17 provided solely for the continued funding of existing county drug and  
18 alcohol use prevention programs.

19 (5) Within amounts appropriated in this section, the department is  
20 required to increase federal match available for intensive inpatient  
21 services. During fiscal year 2013, the department shall shift  
22 contracts for a minimum of 32 intensive inpatient beds currently  
23 provided in settings that are considered institutions for mental  
24 diseases to two or more facilities with fewer than 16 beds that are  
25 able to claim federal match for services provided to medicaid clients  
26 or individuals covered under the department's section 1115 medicaid  
27 waiver. The department is authorized to conduct a request for proposal  
28 process to fulfill this requirement. By December 1, 2012, the  
29 department shall provide a plan to the office of financial management  
30 and to the relevant fiscal and policy committees of the legislature for  
31 transitioning all remaining intensive inpatient beds currently provided  
32 in settings that are considered institutions for mental diseases into  
33 facilities with fewer than 16 beds by June 2017. The plan shall  
34 identify the maximum number of additional beds that can be transitioned  
35 into facilities with fewer than 16 beds during the 2013-2015 fiscal  
36 biennium and the remaining number that will be transitioned during the  
37 2015-2017 fiscal biennium, a timeline and process for accomplishing

1 this, and a projection of the related general fund--state savings for  
2 each biennium.

3 **Sec. 209.** 2011 2nd sp.s. c 9 s 209 (uncodified) is amended to read  
4 as follows:

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

7	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$10,874,000</del> ))
8		<u>\$10,629,000</u>
9	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$10,861,000</del> ))
10		<u>\$10,401,000</u>
11	General Fund--Federal Appropriation . . . . .	(( <del>\$105,091,000</del> ))
12		<u>\$105,069,000</u>
13	Telecommunications Devices for the Hearing and	
14	Speech Impaired--State Appropriation . . . . .	\$2,766,000
15	TOTAL APPROPRIATION . . . . .	(( <del>\$129,592,000</del> ))
16		<u>\$128,865,000</u>

17 The appropriations in this section are subject to the following  
18 conditions and limitations: \$480,000 of the telecommunications devices  
19 for the hearing and speech impaired account--state appropriation is  
20 provided solely for the office of deaf and hard of hearing to contract  
21 for services that provide employment support and help with life  
22 activities for deaf-blind individuals in King county.

23 **Sec. 210.** 2011 2nd sp.s. c 9 s 210 (uncodified) is amended to read  
24 as follows:

25 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**  
26 **PROGRAM**

27	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$47,719,000</del> ))
28		<u>\$48,170,000</u>
29	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$46,292,000</del> ))
30		<u>\$36,133,000</u>
31	TOTAL APPROPRIATION . . . . .	(( <del>\$94,011,000</del> ))
32		<u>\$84,303,000</u>

33 **Sec. 211.** 2011 2nd sp.s. c 9 s 211 (uncodified) is amended to read  
34 as follows:

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

3	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$26,125,000</del> ))
4		<u>\$26,070,000</u>
5	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$24,586,000</del> ))
6		<u>\$24,364,000</u>
7	General Fund--Federal Appropriation . . . . .	(( <del>\$39,223,000</del> ))
8		<u>\$39,451,000</u>
9	General Fund--Private/Local Appropriation . . . . .	\$2,116,000
10	Performance Audits of State Government--State	
11	Appropriation . . . . .	\$4,812,000
12	TOTAL APPROPRIATION . . . . .	(( <del>\$96,862,000</del> ))
13		<u>\$96,813,000</u>

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

16 (1) \$300,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$300,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely for the Washington state mentors  
19 program to continue its public-private partnerships to provide  
20 technical assistance and training to mentoring programs that serve  
21 at-risk youth.

22 (2) \$445,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$445,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for funding of the teamchild  
25 project.

26 (3) \$178,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$178,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for the juvenile detention  
29 alternatives initiative.

30 (4) \$4,812,000 of the performance audits of state government--state  
31 appropriation is provided solely for support and expansion of the  
32 division of fraud investigation. The division shall conduct  
33 investigatory and enforcement activities for all department programs,  
34 including the child support and TANF programs.

35 (5) \$1,400,000 of the general fund--state appropriation for fiscal  
36 year 2012 is provided solely for the department to distribute as  
37 support to community public health and safety networks that have a  
38 history of providing training and services related to adverse childhood

1 experiences. Distribution of these funds is contingent upon securing  
2 funding from a private entity or entities to provide one dollar in  
3 matching funds for each dollar in state funds received by a network so  
4 that the funding received by a community public health and safety  
5 network will be equal portions of state and private funding.

6 (6) \$250,000 of the general fund--state appropriation for fiscal  
7 year 2013 is provided solely for a grant program focused on criminal  
8 street gang prevention and intervention. The Washington state  
9 partnership council on juvenile justice may award grants under this  
10 subsection. The council shall give priority to applicants who have  
11 demonstrated the greatest problems with criminal street gangs.  
12 Applicants composed of, at a minimum, one or more local governmental  
13 entities and one or more nonprofit, nongovernmental organizations that  
14 have a documented history of creating and administering effective  
15 criminal street gang prevention and intervention programs may apply for  
16 funding under this subsection.

17 **Sec. 212.** 2011 2nd sp.s. c 9 s 212 (uncodified) is amended to read  
18 as follows:

19 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**  
20 **AGENCIES PROGRAM**

21	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$62,778,000</del> ))
22		<u>\$62,140,000</u>
23	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$61,927,000</del> ))
24		<u>\$55,653,000</u>
25	General Fund--Federal Appropriation . . . . .	(( <del>\$58,400,000</del> ))
26		<u>\$57,054,000</u>
27	TOTAL APPROPRIATION . . . . .	(( <del>\$183,105,000</del> ))
28		<u>\$174,847,000</u>

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

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

1       **Sec. 213.** 2011 2nd sp.s. c 9 s 213 (uncodified) is amended to read  
2 as follows:

3 **FOR THE STATE HEALTH CARE AUTHORITY**

4	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,130,229,000</del> ))
5		<u>\$2,034,296,000</u>
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,185,617,000</del> ))
7		<u>\$2,031,095,000</u>
8	General Fund--Federal Appropriation . . . . .	(( <del>\$5,389,627,000</del> ))
9		<u>\$5,307,233,000</u>
10	General Fund--Private/Local Appropriation . . . . .	(( <del>\$45,512,000</del> ))
11		<u>\$62,597,000</u>
12	Emergency Medical Services and Trauma Care Systems	
13	Trust Account--State Appropriation . . . . .	\$15,077,000
14	Hospital Safety Net Assessment Fund--State	
15	Appropriation . . . . .	(( <del>\$394,905,000</del> ))
16		<u>\$434,087,000</u>
17	State Health Care Authority Administration Account--	
18	State Appropriation . . . . .	(( <del>\$34,118,000</del> ))
19		<u>\$34,043,000</u>
20	Basic Health Plan Stabilization Account--	
21	State Appropriation . . . . .	\$44,000,000
22	Medical Aid Account--State Appropriation . . . . .	\$529,000
23	<u>Medicaid Fraud Penalty Account--State Appropriation . . . . .</u>	<u>\$9,200,000</u>
24	TOTAL APPROPRIATION . . . . .	(( <del>\$10,239,614,000</del> ))
25		<u>\$9,972,157,000</u>

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

28       (1) The appropriations to the authority in this act shall be  
29 expended for the purposes and in the amounts specified in this act. To  
30 the extent that appropriations in this section are insufficient to fund  
31 actual expenditures in excess of caseload forecasts and utilization  
32 assumptions, the authority, after May 1, 2012, may transfer general  
33 fund--state appropriations for fiscal year 2012 that are provided  
34 solely for a specified purpose. The authority shall not transfer  
35 funds, and the director of financial management shall not approve the  
36 transfer, unless the transfer is consistent with the objective of  
37 conserving, to the maximum extent possible, the expenditure of state  
38 funds. The director of financial management shall notify the



1 appropriate fiscal committees of the senate and house of  
2 representatives in writing seven days prior to approving any allotment  
3 modifications or transfers under this subsection. The written  
4 notification shall include a narrative explanation and justification of  
5 the changes, along with expenditures and allotments by budget unit and  
6 appropriation, both before and after any allotment modifications or  
7 transfers.

8 (2) Within amounts appropriated in this section and sections 205  
9 and 206 of this act, the health care authority shall continue to  
10 provide an enhanced basic health plan subsidy for foster parents  
11 licensed under chapter 74.15 RCW and workers in state-funded home care  
12 programs. Under this enhanced subsidy option, foster parents eligible  
13 to participate in the basic health plan as subsidized enrollees and  
14 home care workers with family incomes below 200 percent of the federal  
15 poverty level shall be allowed to enroll in the basic health plan at  
16 the minimum premium amount charged to enrollees with incomes below  
17 sixty-five percent of the federal poverty level.

18 ~~((+2))~~ (3) The health care authority shall require organizations  
19 and individuals that are paid to deliver basic health plan services and  
20 that choose to sponsor enrollment in the subsidized basic health plan  
21 to pay 133 percent of the premium amount which would otherwise be due  
22 from the sponsored enrollees.

23 ~~((+3))~~ (4)(a) \$1,200,000 of the general fund--state appropriation  
24 for fiscal year 2012 is provided solely to plan the implementation of  
25 a system of consolidated public school employee health benefits  
26 purchasing.

27 It is the intent of the legislature to improve the administration,  
28 transparency, and equity in delivering a K-12 employees' health  
29 benefits system. In addition, the legislature intends that any cost  
30 savings that result from changes to K-12 health benefits be dedicated  
31 to public schools.

32 To further this legislative intent, the state health care authority  
33 shall develop a plan to implement a consolidated health benefits'  
34 system for K-12 employees for the 2013-14 school year. The health care  
35 authority shall deliver a report to the legislature by December 15,  
36 2011, that sets forth the implementation plan to the ways and means  
37 committees of the house of representatives and the senate.

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

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

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

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

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

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

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

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

16 (iv) Recommendations of ways to limit administrative duplication  
17 and costs, improve transparency to employees, the legislature, and the  
18 public and assure equity among beneficiaries of publicly provided  
19 employee health benefits;

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

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

26 (vii) Recommendations regarding the implementation of a new K-12  
27 employee benefit plan, with separate options for voluntary  
28 participation and mandatory statewide participation;

29 (viii) Recommendations regarding methods to reduce inequities  
30 between individual and family coverage;

31 (ix) Consolidation of the purchasing and budget accountability for  
32 school employee benefits to maximize administrative efficiency and  
33 leverage existing skills and resources; and

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

36 (A) Approaches for implementing the transition to a statewide pool,  
37 including administrative and statutory changes necessary to ensure a

1 successful transition, and whether the pool should be separate from, or  
2 combined with, the public employees' benefits pool;

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

7 (C) Options for including potential changes to: Eligibility  
8 standardization, the public employees benefits risk pools, the movement  
9 of school employee retirees into the new K-12 pool or pools, and the  
10 movement of educational service district employees into the new K-12  
11 pool or pools.

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

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

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

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

22 (e) The office of the superintendent of public instruction and the  
23 office of the insurance commissioner shall provide information and  
24 technical assistance to the health care authority as requested by the  
25 health care authority. The health care authority shall not implement  
26 the new school employee benefits pool until authorized to do so by the  
27 legislature.

28 (~~(4)~~) (5) The administrator shall take at least the following  
29 actions to assure that persons participating in the basic health plan  
30 are eligible for the level of assistance they receive: (a) Require  
31 submission of (i) income tax returns, and recent pay history, from all  
32 applicants, or (ii) other verifiable evidence of earned and unearned  
33 income from those persons not required to file income tax returns; (b)  
34 check employment security payroll records at least once every twelve  
35 months on all enrollees; (c) require enrollees whose income as  
36 indicated by payroll records exceeds that upon which their subsidy is  
37 based to document their current income as a condition of continued  
38 eligibility; (d) require enrollees for whom employment security payroll

1 records cannot be obtained to document their current income at least  
2 once every six months; (e) not reduce gross family income for self-  
3 employed persons by noncash-flow expenses such as, but not limited to,  
4 depreciation, amortization, and home office deductions, as defined by  
5 the United States internal revenue service; and (f) pursue repayment  
6 and civil penalties from persons who have received excessive subsidies,  
7 as provided in RCW 70.47.060(9).

8 ~~((+5))~~ (6) Enrollment in the subsidized basic health plan shall be  
9 limited to only include persons who qualify as subsidized enrollees as  
10 defined in RCW 70.47.020 and who (a) qualify for services under 1115  
11 medicaid demonstration project number 11-W-00254/10; or (b) are foster  
12 parents licensed under chapter 74.15 RCW.

13 ~~((+6))~~ (7) \$23,700,000 of the general fund--federal appropriation  
14 is provided solely for planning and implementation of a health benefit  
15 exchange under the federal patient protection and affordable care act.  
16 Within the amounts provided in this subsection, funds used by the  
17 authority for information technology projects are conditioned on the  
18 authority satisfying the requirements of Engrossed Second Substitute  
19 Senate Bill No. 5931 (central service agencies).

20 ~~((+7))~~ (8) Based on quarterly expenditure reports and caseload  
21 forecasts, if the health care authority estimates that expenditures for  
22 the medical assistance program will exceed the appropriations, the  
23 health care authority shall take steps including but not limited to  
24 reduction of rates or elimination of optional services to reduce  
25 expenditures so that total program costs do not exceed the annual  
26 appropriation authority.

27 ~~((+8))~~ (9) In determining financial eligibility for medicaid-  
28 funded services, the health care authority is authorized to disregard  
29 recoveries by Holocaust survivors of insurance proceeds or other  
30 assets, as defined in RCW 48.104.030.

31 ~~((+9))~~ (10) The legislature affirms that it is in the state's  
32 interest for Harborview medical center to remain an economically viable  
33 component of the state's health care system.

34 ~~((+10))~~ (11) When a person is ineligible for medicaid solely by  
35 reason of residence in an institution for mental diseases, the health  
36 care authority shall provide the person with the same benefits as he or  
37 she would receive if eligible for medicaid, using state-only funds to  
38 the extent necessary.

1        ~~((11))~~ (12) \$4,261,000 of the general fund--state appropriation  
2 for fiscal year 2012, \$4,261,000 of the general fund--state  
3 appropriation for fiscal year 2013, and \$8,522,000 of the general  
4 fund--federal appropriation are provided solely for low-income  
5 disproportionate share hospital payments under RCW 74.09.730(1)(a).

6        ~~((12) \$5,905,000 of the general fund--state appropriation for  
7 fiscal year 2012, \$5,905,000 of the general fund--state appropriation  
8 for fiscal year 2013, and \$11,810,000 of the general fund--federal  
9 appropriation are provided solely for nonrural indigent assistance  
10 disproportionate share hospital payments in accordance with RCW  
11 74.09.730(1)).~~

12        ~~(13) \$665,000 of the general fund--state appropriation for fiscal  
13 year 2012, \$665,000 of the general fund--state appropriation for fiscal  
14 year 2013, and \$1,330,000 of the general fund--federal appropriation  
15 are provided solely for small rural indigent assistance  
16 disproportionate share hospital payments in accordance with RCW  
17 74.09.730(1)).~~

18        ~~(14))~~ (13) \$6,000,000 of the general fund--federal appropriation  
19 is provided solely for supplemental payments to nursing homes operated  
20 by public hospital districts. The public hospital district shall be  
21 responsible for providing the required nonfederal match for the  
22 supplemental payment, and the payments shall not exceed the maximum  
23 allowable under federal rules. It is the legislature's intent that the  
24 payments shall be supplemental to and shall not in any way offset or  
25 reduce the payments calculated and provided in accordance with part E  
26 of chapter 74.46 RCW. It is the legislature's further intent that  
27 costs otherwise allowable for rate-setting and settlement against  
28 payments under chapter 74.46 RCW shall not be disallowed solely because  
29 such costs have been paid by revenues retained by the nursing home from  
30 these supplemental payments. The supplemental payments are subject to  
31 retrospective interim and final cost settlements based on the nursing  
32 homes' as-filed and final medicare cost reports. The timing of the  
33 interim and final cost settlements shall be at the health care  
34 authority's discretion. During either the interim cost settlement or  
35 the final cost settlement, the health care authority shall recoup from  
36 the public hospital districts the supplemental payments that exceed the  
37 medicaid cost limit and/or the medicare upper payment limit. The

1 health care authority shall apply federal rules for identifying the  
2 eligible incurred medicaid costs and the medicare upper payment limit.

3 ~~((+15+))~~ (14) The health care authority shall continue the  
4 inpatient hospital certified public expenditures program for the 2011-  
5 2013 fiscal biennium. The program shall apply to all public hospitals,  
6 including those owned or operated by the state, except those classified  
7 as critical access hospitals or state psychiatric institutions. The  
8 health care authority shall submit reports to the governor and  
9 legislature by November 1, 2011, and by November 1, 2012, that evaluate  
10 whether savings continue to exceed costs for this program. If the  
11 certified public expenditures (CPE) program in its current form is no  
12 longer cost-effective to maintain, the health care authority shall  
13 submit a report to the governor and legislature detailing  
14 cost-effective alternative uses of local, state, and federal resources  
15 as a replacement for this program. During fiscal year 2012 and fiscal  
16 year 2013, hospitals in the program shall be paid and shall retain one  
17 hundred percent of the federal portion of the allowable hospital cost  
18 for each medicaid inpatient fee-for-service claim payable by medical  
19 assistance and one hundred percent of the federal portion of the  
20 maximum disproportionate share hospital payment allowable under federal  
21 regulations. Inpatient medicaid payments shall be established using an  
22 allowable methodology that approximates the cost of claims submitted by  
23 the hospitals. Payments made to each hospital in the program in each  
24 fiscal year of the biennium shall be compared to a baseline amount.  
25 The baseline amount will be determined by the total of (a) the  
26 inpatient claim payment amounts that would have been paid during the  
27 fiscal year had the hospital not been in the CPE program based on the  
28 reimbursement rates developed, implemented, and consistent with  
29 policies approved in the 2011-13 biennial operating appropriations act  
30 and in effect on July 1, 2011, (b) one half of the indigent assistance  
31 disproportionate share hospital payment amounts paid to and retained by  
32 each hospital during fiscal year 2005, and (c) all of the other  
33 disproportionate share hospital payment amounts paid to and retained by  
34 each hospital during fiscal year 2005 to the extent the same  
35 disproportionate share hospital programs exist in the 2011-13 biennium.  
36 If payments during the fiscal year exceed the hospital's baseline  
37 amount, no additional payments will be made to the hospital except the  
38 federal portion of allowable disproportionate share hospital payments

1 for which the hospital can certify allowable match. If payments during  
2 the fiscal year are less than the baseline amount, the hospital will be  
3 paid a state grant equal to the difference between payments during the  
4 fiscal year and the applicable baseline amount. Payment of the state  
5 grant shall be made in the applicable fiscal year and distributed in  
6 monthly payments. The grants will be recalculated and redistributed as  
7 the baseline is updated during the fiscal year. The grant payments are  
8 subject to an interim settlement within eleven months after the end of  
9 the fiscal year. A final settlement shall be performed. To the extent  
10 that either settlement determines that a hospital has received funds in  
11 excess of what it would have received as described in this subsection,  
12 the hospital must repay the excess amounts to the state when requested.  
13 (~~(\$24,677,000)~~) \$8,102,000 of the general fund--state appropriation for  
14 fiscal year 2012, of which \$6,570,000 is appropriated in section 204(1)  
15 of this act, and (~~(\$21,531,000)~~) \$3,162,000 of the general fund--state  
16 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated  
17 in section 204(1) of this act, are provided solely for state grants for  
18 the participating hospitals. CPE hospitals will receive the inpatient  
19 and outpatient reimbursement rate restorations in RCW 74.60.080 and  
20 rate increases in RCW 74.60.090 funded through the hospital safety net  
21 assessment fund rather than through the baseline mechanism specified in  
22 this subsection.

23 (~~(+16)~~) (15) The health care authority shall seek public-private  
24 partnerships and federal funds that are or may become available to  
25 provide on-going support for outreach and education efforts under the  
26 federal children's health insurance program reauthorization act of  
27 2009.

28 (~~(+17)~~) (16) The health care authority shall target funding for  
29 maternity support services towards pregnant women with factors that  
30 lead to higher rates of poor birth outcomes, including hypertension, a  
31 preterm or low birth weight birth in the most recent previous birth, a  
32 cognitive deficit or developmental disability, substance abuse, severe  
33 mental illness, unhealthy weight or failure to gain weight, tobacco  
34 use, or African American or Native American race. The health care  
35 authority shall prioritize evidence-based practices for delivery of  
36 maternity support services. To the extent practicable, the health care  
37 authority shall develop a mechanism to increase federal funding for

1 maternity support services by leveraging local public funding for those  
2 services.

3 ~~((+18+))~~ (17) For children with family incomes above 200 percent of  
4 the federal poverty level in the state-funded children's health program  
5 for children who are not eligible for coverage under the federally  
6 funded children's health insurance program, premiums shall be set every  
7 two years in an amount equal to the average state-only share of the per  
8 capita cost of coverage in the state-funded children's health program  
9 for children in families with incomes at or less than two hundred  
10 percent of the federal poverty level.

11 ~~((+19) \$704,000 of the general fund--state appropriation for fiscal  
12 year 2012, \$726,000 of the general fund--state appropriation for fiscal  
13 year 2013, and \$1,431,000 of the general fund--federal appropriation  
14 are provided solely for))~~ (18) Within the amounts appropriated in this  
15 section, the health care authority shall provide disproportionate share  
16 hospital payments to hospitals that provide services to children in the  
17 children's health program who are not eligible for services under Title  
18 XIX or XXI of the federal social security act due to their citizenship  
19 status.

20 ~~((+20) \$998,000))~~ (19) \$859,000 of the general fund--state  
21 appropriation for fiscal year 2012, \$979,000 of the general fund--state  
22 appropriation for fiscal year 2013, and ~~((+\$1,980,000))~~ \$1,841,000 of  
23 the general fund--federal appropriation are provided solely to increase  
24 prior authorization activities for advanced imaging procedures.

25 ~~((+21) \$249,000))~~ (20) \$196,000 of the general fund--state  
26 appropriation for fiscal year 2012, \$246,000 of the general fund--state  
27 appropriation for fiscal year 2013, and ~~((+\$495,000))~~ \$442,000 of the  
28 general fund--federal appropriation are provided solely to increase  
29 prior authorization activities for surgical procedures, which may  
30 include orthopedic procedures, spinal procedures and interventions, and  
31 nerve procedures.

32 ~~((+22+))~~ (21) \$300,000 of the general fund--private/local  
33 appropriation and \$300,000 of the general fund--federal appropriation  
34 are provided solely for a prescriptive practices improvement  
35 collaborative focusing upon atypical antipsychotics and other  
36 medications commonly used in the treatment of severe and persistent  
37 mental illnesses among adults. The project shall promote collaboration  
38 among community mental health centers, other major prescribers of



1 atypical antipsychotic medications to adults enrolled in state medical  
2 assistance programs, and psychiatrists, pharmacists, and other  
3 specialists at the University of Washington department of psychiatry  
4 and/or other research universities. The collaboration shall include  
5 patient-specific prescriber consultations by psychiatrists and  
6 pharmacists specializing in treatment of severe and persistent mental  
7 illnesses among adults; production of profiles to assist prescribers  
8 and clinics in tracking their prescriptive practices and their  
9 patients' medication use and adherence relative to evidence-based  
10 practices guidelines, other prescribers, and patients at other clinics;  
11 and in-service seminars at which participants can share and increase  
12 their knowledge of evidence-based and other effective prescriptive  
13 practices. The health care authority shall enter into an interagency  
14 agreement with the office of the attorney general for expenditure of  
15 \$300,000 of the state's proceeds of the *cy pres* settlement in *State of*  
16 *Washington v. AstraZeneca* (Seroquel) for this purpose.

17 ~~((+23))~~ (22) \$570,000 of the general fund--private/local  
18 appropriation is provided solely for continued operation of the  
19 partnership access line for child mental health consultations. The  
20 health care authority shall enter into an interagency agreement with  
21 the office of the attorney general for expenditure of \$570,000 of the  
22 state's proceeds of the *cy pres* settlement in *State of Washington v.*  
23 *AstraZeneca* (Seroquel) for this purpose.

24 ~~((+24))~~ (23) \$80,000 of the general fund--state appropriation for  
25 fiscal year 2012, \$80,000 of the general fund--state appropriation for  
26 fiscal year 2013, and \$160,000 of the general fund--federal  
27 appropriation are provided solely to fund the Tacoma-Pierce county  
28 health department for access and outreach activities to reduce infant  
29 mortality.

30 ~~((+25))~~ (24) \$75,000 of the general fund--state appropriation for  
31 fiscal year 2012, \$75,000 of the general fund--state appropriation for  
32 fiscal year 2013, and \$150,000 of the general fund--federal  
33 appropriation are provided solely to assist with development and  
34 implementation of evidence-based strategies regarding the appropriate,  
35 safe, and effective role of C-section surgeries and early induced labor  
36 in births and neonatal care. The strategies shall be identified and  
37 implemented in consultation with clinical research specialists,

1 physicians, hospitals, advanced registered nurse practitioners, and  
2 organizations concerned with maternal and child health.

3 ~~((26) \$2,400,000 of the general fund state appropriation for~~  
4 ~~fiscal year 2012, \$2,435,000 of the general fund state appropriation~~  
5 ~~for fiscal year 2013, \$7,253,000 of the general fund private/local~~  
6 ~~appropriation, and \$12,455,000 of the general fund federal~~  
7 ~~appropriation are provided solely for continued provision of)) (25)~~  
8 Within the amounts appropriated in this section, the health care  
9 authority shall continue to provide school-based medical services by  
10 means of an intergovernmental transfer arrangement. Under the  
11 arrangement, the state shall provide forty percent and school districts  
12 sixty percent of the nonfederal matching funds required for receipt of  
13 federal medicaid funding for the service.

14 ~~((27)) (26)~~ \$263,000 of the general fund--state appropriation for  
15 fiscal year 2012, \$88,000 of the general fund--state appropriation for  
16 fiscal year 2013, and \$351,000 of the general fund--federal  
17 appropriation are provided solely for development and submission to the  
18 federal government by October 1, 2011, of a demonstration project  
19 proposal as provided in Substitute Senate Bill No. 5596 (medicaid  
20 demonstration waiver).

21 ~~((28) \$5,600,000 of the general fund state appropriation for~~  
22 ~~fiscal year 2012, \$4,094,000 of the general fund state appropriation~~  
23 ~~for fiscal year 2013, and \$11,332,000 of the general fund federal~~  
24 ~~appropriation are provided solely for)) (27)~~ Within the amounts  
25 appropriated in this section, the health care authority shall provide  
26 spoken-language interpreter services. The authority shall develop and  
27 implement a new model for delivery of such services no later than  
28 January 1, 2012. The model shall include:

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

33 (b) The requirement that the state contract with delivery  
34 organizations, including foreign language agencies, who employ or  
35 subcontract only with language access providers or interpreters working  
36 in the state who are certified or authorized by the state. When a  
37 state-certified or state-authorized in-state language access provider  
38 or interpreter is not available, the delivery organization, including

1 foreign language agencies, may use a provider with other certifications  
2 or qualifications deemed to meet state standards, including  
3 interpreters in other states; and

4 (c) Provision of a secure, web-based tool that medical  
5 practitioners will use to schedule appointments for interpreter  
6 services and to identify the most appropriate, cost-effective method of  
7 service delivery in accordance with the state guidelines.

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

14 ~~((+29))~~ (28) In its procurement of contractors for delivery of  
15 medical managed care services for nondisabled, nonelderly persons, the  
16 medical assistance program shall (a) place substantial emphasis upon  
17 price competition in the selection of successful bidders; and (b) not  
18 require delivery of any services that would increase the actuarial cost  
19 of service beyond the levels included in current healthy options  
20 contracts.

21 ~~((+30))~~ (29) \$1,430,000 of the general fund--state appropriation  
22 for fiscal year 2012, \$1,430,000 of the general fund--state  
23 appropriation for fiscal year 2013, and \$2,860,000 of the general  
24 fund--federal appropriation are provided solely to pay  
25 federally-designated rural health clinics their standard encounter rate  
26 for prenatal and well-child visits, whether delivered under a managed  
27 care contract or fee-for-service. In reconciling managed care  
28 enhancement payments for calendar years 2009 and 2010, the department  
29 shall treat well-child and prenatal care visits as encounters subject  
30 to the clinic's encounter rate.

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

37 ~~((+32))~~ (31) \$70,000 of the general fund--state appropriation for  
38 fiscal year 2012, \$70,000 of the general fund--state appropriation for

1 fiscal year 2013, and \$140,000 of the general fund--federal  
2 appropriation are provided solely to continue operation by a nonprofit  
3 organization of a toll-free hotline that assists families to learn  
4 about and enroll in the apple health for kids program.

5 ~~((+33))~~ (32) \$400,000 of the general fund--state appropriation for  
6 fiscal year 2012 and \$400,000 of the general fund--state appropriation  
7 for fiscal year 2013 is provided solely for the local outreach, case  
8 management, and coordination with dental providers needed to execute  
9 the access to baby and child dentistry program, which provides dental  
10 care to Medicaid eligible children up to age six.

11 ~~((+34) \$1,868,000 of the general fund--state appropriation for  
12 fiscal year 2012, \$1,873,000 of the general fund--state appropriation  
13 for fiscal year 2013, and \$3,154,000 of the general fund--federal  
14 appropriation are provided solely to))~~ (33) Within the amounts  
15 appropriated in this section, the health care authority shall continue  
16 to provide dental services to pregnant women. Services shall include  
17 preventive, routine, and emergent dental care.

18 ~~((+35))~~ (34) \$395,000 of the general fund--state appropriation for  
19 fiscal year 2012, \$395,000 of the general fund--state appropriation for  
20 fiscal year 2013, and \$790,000 of the general fund--federal  
21 appropriation are provided solely for continued operation of the  
22 dental education in care of persons with disabilities (DECOD) program  
23 at the University of Washington.

24 ~~((+36) \$112,000))~~ (35) \$159,000 of the general fund--state  
25 appropriation for fiscal year 2012, ~~(( \$112,000 of the general fund--  
26 state appropriation for fiscal year 2013,))~~ \$302,000 of the general  
27 fund--private/local appropriation, and ~~(( \$1,928,000))~~ \$146,072,000 of  
28 the general fund--federal appropriation are provided solely for the  
29 provider incentive program and other initiatives related to the health  
30 information technology Medicaid plan. The general fund--private/local  
31 appropriation in this subsection shall be funded with proceeds from  
32 settlements in the case of State of Washington vs. GlaxoSmithKline.  
33 The authority and the office of the attorney general shall enter an  
34 interagency agreement regarding use of these funds.

35 ~~((+37))~~ (36) \$2,926,000 of the general fund--local appropriation  
36 and \$2,928,000 of the general fund--federal appropriation are provided  
37 solely to support medical airlift services.

1        ~~((38))~~ (37) The authority shall collect data on enrollment and  
2 utilization to study whether the expansion of family planning coverage  
3 under Substitute Senate Bill No. 5912 is reducing state medical  
4 expenditures by reducing unwanted pregnancies. The authority shall  
5 report its findings to the legislature by December 1, 2012.

6        ~~((39))~~ (38) \$480,000 of the general fund--state appropriation for  
7 fiscal year 2012, \$480,000 of the general fund--state appropriation for  
8 fiscal year 2013, and \$824,000 of the general fund--federal  
9 appropriation are provided solely for customer services staff. The  
10 authority will attempt to improve the phone answer rate to 40 percent  
11 and reduce the response times to written questions to ten days for  
12 clients and 25 days for providers. The authority will report to the  
13 legislature on its progress toward achieving these goals by January 1,  
14 2012. If the authority has not achieved these goals by July 1, 2012,  
15 then the authority shall reduce expenditures on management staff in  
16 order to increase expenditures on customer service staff until the  
17 goals are achieved.

18        ~~((40))~~ (39) The department shall purchase a brand name drug when  
19 it determines that the cost of the brand name drug after rebates is  
20 less than the cost of generic alternatives and that purchase of the  
21 brand rather than generic version can save at least \$250,000. The  
22 department may purchase generic alternatives when changes in market  
23 prices make the price of the brand name drug after rebates more  
24 expensive than the generic alternatives.

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

31        (40) The authority, in collaboration with the department of social  
32 and health services, the department of health, the Washington state  
33 hospital association, the Puget Sound health alliance, the Washington  
34 association of community and migrant health centers, and the forum, a  
35 collaboration of health carriers, physicians, and hospitals in  
36 Washington state, shall design a system of rural health system access  
37 and quality incentive payments. The incentive payments must be linked  
38 to explicit performance measures that consider not only services

1 provided by health care providers, but also the role that providers  
2 might play in the rural health delivery systems in their communities,  
3 including the provision of long-term care services. In designing the  
4 incentive payment system, the authority shall consider the department  
5 of health's necessary provider criteria for critical access hospitals,  
6 the quality measures used to determine quality incentive payments under  
7 RCW 74.60.130, and any other performance measures that would promote  
8 access and quality in rural health systems. The authority, in  
9 conjunction with those groups identified in this subsection, shall  
10 develop parameters for determining criteria for increased payment,  
11 alternative payment methodologies, or other incentives for those  
12 providers that improve and achieve sustained improvement with respect  
13 to the measures. The design of the system shall be submitted to the  
14 relevant policy and fiscal committees of the legislature by December  
15 15, 2012.

16 (41) \$150,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$1,964,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely to implement Engrossed Second  
19 Substitute House Bill No. 2319 (affordable care act). If the bill is  
20 not enacted by June 30, 2012, the amounts provided in this subsection  
21 shall lapse.

22 (42) \$1,109,000 of the general fund--state appropriation for fiscal  
23 year 2012, \$1,471,000 of the general fund--state appropriation for  
24 fiscal year 2013, and \$21,890,000 of the general fund--federal  
25 appropriation are provided solely to implement phase two of the project  
26 to create a single provider payment system that consolidates medicaid  
27 medical and social services payments and replaces the social service  
28 payment system.

29 (43) The authority, in consultation with the Washington state  
30 hospital association, the Washington state medical association, and the  
31 Washington chapter of the American college of emergency physicians  
32 shall designate best practices to reduce medical assistance  
33 expenditures through the reduction of unnecessary emergency room  
34 visits. In consultation with emergency room physicians and hospitals,  
35 the goal is to achieve, by July 1, 2012, adoption of the designated  
36 best practices by hospitals in Washington state that, in total,  
37 provided at least seventy-five percent of emergency room visits to

1 medicaid fee-for-service clients in fiscal year 2010. The best  
2 practices shall consist of the following items:

3 (a) Adoption of a system to exchange patient information among  
4 emergency departments;

5 (b) Active dissemination of patient educational materials produced  
6 by the Washington state hospital association, Washington state medical  
7 association, and the Washington chapter of the American college of  
8 emergency physicians that instruct patients on the best places to go  
9 for health care;

10 (c) Designation of hospital personnel and emergency room physician  
11 personnel to receive and appropriately disseminate information on  
12 clients participating in the medicaid patient review and coordination  
13 program and monthly utilization reports on those clients;

14 (d) A process to assist the authority's patient review and  
15 coordination program clients with their care plans. The process must  
16 include substantial efforts to make an appointment for a client in the  
17 patient review and coordination program to see a primary care provider  
18 within seventy-two hours of the client's nonemergent emergency room  
19 visit when follow-up by a primary care provider is appropriate under  
20 the client's care plan;

21 (e) Implementation of narcotic guidelines that incorporate the  
22 Washington chapter of the American college of emergency physician  
23 guidelines;

24 (f) Physician enrollment in the state's prescription monitoring  
25 program; and

26 (g) Designation of a hospital emergency physician responsible for  
27 reviewing the state's medicaid utilization management feedback reports  
28 and taking appropriate action in response to the information in the  
29 feedback reports.

30 The requirements for best practices for a critical access hospital  
31 should not include adoption of a system to exchange patient information  
32 if doing so would pose a financial burden, and should not include  
33 requirements related to the authority's patient review and coordination  
34 program if the volumes of patients seen at the critical access hospital  
35 are small.

36 The components of the best practices and list of participating  
37 hospitals shall be submitted to the relevant policy and fiscal  
38 committees of the legislature by May 1, 2012. By July 1, 2012, the

1 participating hospitals shall submit to the authority an attestation  
2 indicating their adoption of and compliance with the best practices.  
3 If the hospitals submitting the attestation do not represent at least  
4 seventy-five percent of emergency room visits by medicaid fee-for-  
5 service clients in fiscal year 2010, the authority may implement a  
6 policy of nonpayment for nonemergent care for which hospital emergency  
7 department services are not medically necessary, with appropriate  
8 processes for exemptions or expedited prior authorization. Criteria  
9 for exemption or expedited prior authorization shall include but are  
10 not limited to: Patients presenting with abnormal vital signs,  
11 traumatic etiology, or high risk conditions; patients with abnormal  
12 laboratory findings; and patients with documented referrals to the  
13 emergency department by primary care providers. If the percentage is  
14 above seventy-five percent, the authority shall not proceed with  
15 implementing any plan or policy that does not comport with national  
16 prudent layperson standards for either fee-for-service or managed care  
17 clients or that utilizes a discharge diagnosis list for determination  
18 of coverage.

19 (44) \$25,000 of the hospital safety net assessment--state  
20 appropriation and \$25,000 of the general fund--federal appropriation  
21 are provided solely for the authority to review and report on the  
22 payment of facility fees in programs administered by the authority.  
23 The study shall include a summary of state and federal requirements and  
24 practices with regard to the use of such fees; an analysis of how  
25 authority payments for services and procedures that include an explicit  
26 facility fee component compare to amounts paid for comparable services  
27 and procedures that do not; the amount expended for facility fees by  
28 major program and service in each of the four most recent years for  
29 which reasonably complete and comparable information is available; an  
30 analysis of the extent to which hospital acquisition of physician  
31 practices and of laboratory, imaging, and other outpatient diagnostic  
32 and treatment services has contributed to increased state expenditures;  
33 and the authority's recommendations regarding possible revisions to  
34 calculation and payment of such fees. The authority shall report its  
35 finding and recommendations to the health care and appropriate fiscal  
36 committees of the legislature by November 1, 2012.

37 (45) Prior to entering into a contract for medicaid managed care  
38 services for the period commencing July 1, 2012, the director of the



1 health care authority shall certify to the governor and to the health  
2 care committees of the legislature that the contractor has established  
3 a network of acute, primary, and specialty care providers that is  
4 sufficient to meet the needs of the contractor's anticipated enrollee  
5 population. If no plan is able to certify an adequate provider network  
6 in a county, the health care authority shall request re-bids from all  
7 plans which originally submitted bids for the county during the regular  
8 procurement process until award is successful. No county, that is  
9 currently served by Medicaid managed care services shall revert to  
10 fee-for-service as a result of the procurement process.

11 (46) The department shall seek a medicaid state plan amendment to  
12 create a graduate medical education supplemental payment for services  
13 delivered to managed care recipients by University of Washington  
14 medicine and other public professional providers. This program shall  
15 be effective as soon as administratively possible and shall operate  
16 concurrently with the existing professional services supplemental  
17 payment program. Providers that participate in the graduate medical  
18 education supplemental payment program are not eligible to participate  
19 in the professional services supplemental payment program. The  
20 department shall apply federal rules for identifying the difference  
21 between current physician encounter and fee-for-service medicaid  
22 payments to participating providers and the applicable federal upper  
23 payment limit. Participating providers shall be solely responsible for  
24 providing the local funds required to obtain federal matching funds.  
25 Any incremental costs incurred by the department in the development,  
26 implementation, and maintenance of this program shall be the  
27 responsibility of the participating providers. Participating providers  
28 shall retain the full amount of supplemental payments provided under  
29 this program, net of any costs related to the program that are  
30 disallowed due to audits or litigation against the state.

31 (47) The authority shall exclude HIV/AIDS disease, cancer, and  
32 immunosuppressant drugs from any formulary limitations implemented to  
33 operate within the appropriations provided in this section.

34 (48) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)  
35 is not enacted by June 30, 2012, the amounts appropriated in this  
36 section from the medicaid fraud penalty account--state appropriation  
37 shall lapse and an additional \$3,608,000 shall be appropriated from the

1 general fund--state for fiscal year 2013 for medicaid services, fraud  
2 detection and prevention activities, recovery of improper payments, and  
3 for other medicaid fraud enforcement activities.

4 (49) The authority may pursue a competitive bidding process for the  
5 purchase of lowest cost generic drugs within the medicaid program.

6 **Sec. 214.** 2011 1st sp.s. c 50 s 214 (uncodified) is amended to  
7 read as follows:

8 **FOR THE HUMAN RIGHTS COMMISSION**

9	General Fund--State Appropriation (FY 2012) . . . . .	(((\$2,240,000))
10		<u>\$1,993,000</u>
11	General Fund--State Appropriation (FY 2013) . . . . .	(((\$2,242,000))
12		<u>\$1,954,000</u>
13	General Fund--Federal Appropriation . . . . .	(((\$1,903,000))
14		<u>\$1,893,000</u>
15	TOTAL APPROPRIATION . . . . .	(((\$6,385,000))
16		<u>\$5,840,000</u>

17 **Sec. 215.** 2011 2nd sp.s. c 9 s 214 (uncodified) is amended to read  
18 as follows:

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

20	Worker and Community Right-to-Know Account--State	
21	Appropriation . . . . .	\$10,000
22	Accident Account--State Appropriation . . . . .	(((\$19,690,000))
23		<u>\$19,602,000</u>
24	Medical Aid Account--State Appropriation . . . . .	(((\$19,689,000))
25		<u>\$19,602,000</u>
26	TOTAL APPROPRIATION . . . . .	(((\$39,389,000))
27		<u>\$39,214,000</u>

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

30 (1) \$36,000 of the accident account--state appropriation and  
31 \$36,000 of the medical aid account--state appropriation are solely  
32 provided for Engrossed Substitute Senate Bill No. 5068 (industrial  
33 safety and health act). If the bill is not enacted by June 30, 2011,  
34 the amounts provided in this subsection shall lapse.

35 (2) \$16,000 of the accident account--state appropriation and  
36 \$16,000 of the medical aid account--state appropriation are solely

1 provided for Substitute Senate Bill No. 5801 (industrial insurance  
2 system). If the bill is not enacted by June 30, 2011, the amounts  
3 provided in this subsection shall lapse.

4 (3) \$1,893,000 of the accident account--state appropriation and  
5 \$1,893,000 of the medical aid account--state appropriation are provided  
6 solely for implementation of House Bill No. 2123 (workers'  
7 compensation). If the bill is not enacted by June 30, 2011, the  
8 amounts provided in this subsection shall lapse.

9 **Sec. 216.** 2011 2nd sp.s. c 9 s 215 (uncodified) is amended to read  
10 as follows:

11 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

12	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$14,850,000</del> ))
13		<u>\$14,590,000</u>
14	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$14,711,000</del> ))
15		<u>\$14,158,000</u>
16	General Fund--Federal Appropriation . . . . .	\$456,000
17	General Fund--Private/Local Appropriation . . . . .	\$4,048,000
18	Death Investigations Account--State Appropriation . . . . .	\$148,000
19	Municipal Criminal Justice Assistance Account--	
20	State Appropriation . . . . .	\$460,000
21	Washington Auto Theft Prevention Authority Account--	
22	State Appropriation . . . . .	\$8,597,000
23	TOTAL APPROPRIATION . . . . .	(( <del>\$43,270,000</del> ))
24		<u>\$42,457,000</u>

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

27 (1) \$5,000,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$5,000,000 of the general fund--state appropriation for  
29 fiscal year 2013, are provided to the Washington association of  
30 sheriffs and police chiefs solely to verify the address and residency  
31 of registered sex offenders and kidnapping offenders under RCW  
32 9A.44.130.

33 (2) \$321,000 of the general fund--local appropriation is provided  
34 solely to purchase ammunition for the basic law enforcement academy.  
35 Jurisdictions shall reimburse to the criminal justice training  
36 commission the costs of ammunition, based on the average cost of

1 ammunition per cadet, for cadets that they enroll in the basic law  
2 enforcement academy.

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

5 (4) \$100,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$100,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for a school safety program. The  
8 commission, in collaboration with the school safety center advisory  
9 committee, shall provide the school safety training for all school  
10 administrators and school safety personnel hired after the effective  
11 date of this section.

12 (5) \$96,000 of the general fund--state appropriation for fiscal  
13 year 2012 and (~~(\$90,000)~~) \$96,000 of the general fund--state  
14 appropriation for fiscal year 2013 are provided solely for the school  
15 safety center within the commission. The safety center shall act as an  
16 information dissemination and resource center when an incident occurs  
17 in a school district in Washington or in another state, coordinate  
18 activities relating to school safety, and review and approve manuals  
19 and curricula used for school safety models and training. Through an  
20 interagency agreement, the commission shall provide funding for the  
21 office of the superintendent of public instruction to continue to  
22 develop and maintain a school safety information web site. The school  
23 safety center advisory committee shall develop and revise the training  
24 program, using the best practices in school safety, for all school  
25 safety personnel. The commission shall provide research-related  
26 programs in school safety and security issues beneficial to both law  
27 enforcement and schools.

28 (6) \$1,000,000 of the general fund--state appropriation for fiscal  
29 year 2012 and \$1,000,000 of the general fund--state appropriation for  
30 fiscal year 2013 are provided solely for grants to counties enforcing  
31 illegal drug laws and which have been underserved by federally funded  
32 state narcotics task forces. The Washington association of sheriffs  
33 and police chiefs, the Washington association of prosecuting attorneys,  
34 and the Washington association of county officials shall jointly  
35 develop funding allocations for the offices of the county sheriff,  
36 county prosecutor, and county clerk in qualifying counties. The  
37 commission shall not impose an administrative cost on this program.

1       **Sec. 217.** 2011 2nd sp.s. c 9 s 216 (uncodified) is amended to read  
2 as follows:

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

4	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$17,433,000</del> ))
5		<u>\$17,406,000</u>
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$18,374,000</del> ))
7		<u>\$17,909,000</u>
8	General Fund--Federal Appropriation . . . . .	\$11,636,000
9	Asbestos Account--State Appropriation . . . . .	(( <del>\$395,000</del> ))
10		<u>\$375,000</u>
11	Electrical License Account--State Appropriation . . . . .	(( <del>\$37,019,000</del> ))
12		<u>\$36,360,000</u>
13	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
14	Worker and Community Right-to-Know Account--	
15	State Appropriation . . . . .	(( <del>\$949,000</del> ))
16		<u>\$916,000</u>
17	Public Works Administration Account--State	
18	Appropriation . . . . .	(( <del>\$6,814,000</del> ))
19		<u>\$7,043,000</u>
20	Manufactured Home Installation Training Account--	
21	State Appropriation . . . . .	\$334,000
22	Accident Account--State Appropriation . . . . .	(( <del>\$252,809,000</del> ))
23		<u>\$250,455,000</u>
24	Accident Account--Federal Appropriation . . . . .	\$13,622,000
25	Medical Aid Account--State Appropriation . . . . .	(( <del>\$264,202,000</del> ))
26		<u>\$262,574,000</u>
27	Medical Aid Account--Federal Appropriation . . . . .	\$3,186,000
28	Plumbing Certificate Account--State Appropriation . . . . .	(( <del>\$1,688,000</del> ))
29		<u>\$1,675,000</u>
30	Pressure Systems Safety Account--State	
31	Appropriation . . . . .	(( <del>\$4,068,000</del> ))
32		<u>\$4,050,000</u>
33	TOTAL APPROPRIATION . . . . .	(( <del>\$632,557,000</del> ))
34		<u>\$627,569,000</u>

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

37       (1) Pursuant to RCW 43.135.055, the department is authorized to  
38 increase fees related to factory assembled structures, contractor

1 registration, electricians, plumbers, asbestos removal, boilers,  
2 elevators, and manufactured home installers. Plumber fees may be  
3 increased each year of the fiscal biennium. These increases are  
4 necessary to support expenditures authorized in this section,  
5 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW  
6 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

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

21 (3) \$1,281,000 of the accident account--state appropriation and  
22 \$1,281,000 of the medical aid account--state appropriation are provided  
23 solely for implementation of Engrossed Substitute House Bill No. 1725  
24 (workers' compensation). If the bill is not enacted by June 30, 2011,  
25 the amounts provided in this subsection shall lapse.

26 (4) \$51,000 of the accident account--state appropriation and  
27 \$51,000 of the medical aid account--state appropriation are provided  
28 solely for implementation of Engrossed Substitute House Bill No. 1367  
29 (for hire vehicles, operators). If the bill is not enacted by June 30,  
30 2011, the amounts provided in this subsection shall lapse.

31 (5) \$8,727,000 of the medical aid account--state appropriation is  
32 provided solely for implementation of Substitute Senate Bill No. 5801  
33 (industrial insurance system). If the bill is not enacted by June 30,  
34 2011, the amount provided in this subsection shall lapse.

35 (6) \$625,000 of the general fund--state appropriation for fiscal  
36 year 2012, \$625,000 of the general fund--state appropriation for fiscal  
37 year 2013, \$1,250,000 of the public works administration account--state  
38 appropriation, \$708,000 of the accident account--state appropriation,

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

8 (7) \$8,583,000 of the accident account--state appropriation and  
 9 \$18,278,000 of the medical aid account--state appropriation are  
 10 provided solely for implementation of House Bill No. 2123 (workers'  
 11 compensation). If the bill is not enacted by June 30, 2011, the  
 12 amounts provided in this subsection shall lapse.

13 (8) \$90,000 of the public works administration account--state  
 14 appropriation is provided solely to implement Substitute Senate Bill  
 15 No. 6421 (prevailing wage/public works). If the bill is not enacted by  
 16 June 30, 2012, the amount provided in this subsection shall lapse.

17 (9) \$34,000 of the electrical license account--state appropriation  
 18 is provided solely to implement Senate Bill No. 6133 (electrician  
 19 certifications). If the bill is not enacted by June 30, 2012, the  
 20 amount provided in this subsection shall lapse.

21 **Sec. 218.** 2011 2nd sp.s. c 9 s 217 (uncodified) is amended to read  
 22 as follows:

23 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

24 (1) HEADQUARTERS

25	General Fund--State Appropriation (FY 2012) . . . . .	((( <del>\$1,832,000</del> )))
26		<u>\$1,829,000</u>
27	General Fund--State Appropriation (FY 2013) . . . . .	((( <del>\$1,826,000</del> )))
28		<u>\$1,804,000</u>
29	Charitable, Educational, Penal, and Reformatory	
30	Institutions Account--State Appropriation . . . . .	\$10,000
31	TOTAL APPROPRIATION . . . . .	((( <del>\$3,668,000</del> )))
32		<u>\$3,643,000</u>

33 (2) FIELD SERVICES

34	General Fund--State Appropriation (FY 2012) . . . . .	((( <del>\$5,006,000</del> )))
35		<u>\$5,002,000</u>
36	General Fund--State Appropriation (FY 2013) . . . . .	((( <del>\$5,001,000</del> )))
37		<u>\$4,969,000</u>

1	General Fund--Federal Appropriation . . . . .	(( <u>\$3,356,000</u> ))
2		<u>\$3,348,000</u>
3	General Fund--Private/Local Appropriation . . . . .	(( <u>\$4,737,000</u> ))
4		<u>\$4,724,000</u>
5	Veterans Innovations Program Account--State	
6	Appropriation . . . . .	(( <u>\$812,000</u> ))
7		<u>\$810,000</u>
8	Veteran Estate Management Account--Private/Local	
9	Appropriation . . . . .	(( <u>\$1,083,000</u> ))
10		<u>\$1,079,000</u>
11	TOTAL APPROPRIATION . . . . .	(( <u>\$19,995,000</u> ))
12		<u>\$19,932,000</u>

13       The appropriations in this subsection are subject to the following  
14 conditions and limitations:   \$821,000 of the veterans innovations  
15 program account--state appropriation is provided solely for the  
16 department to continue support for returning combat veterans through  
17 the veterans innovation program, including emergency financial  
18 assistance through the defenders' fund and long-term financial  
19 assistance through the competitive grant program.

20       (3) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2012) . . . . .	(( <u>\$899,000</u> ))
22		<u>\$1,743,000</u>
23	<del>((General Fund--State Appropriation (FY 2013) . . . . .</del>	<del>(\$71,000))</del>
24	General Fund--Federal Appropriation . . . . .	(( <u>\$59,177,000</u> ))
25		<u>\$61,462,000</u>
26	General Fund--Private/Local Appropriation . . . . .	(( <u>\$32,094,000</u> ))
27		<u>\$29,528,000</u>
28	TOTAL APPROPRIATION . . . . .	(( <u>\$92,241,000</u> ))
29		<u>\$92,733,000</u>

30       **Sec. 219.** 2011 2nd sp.s. c 9 s 218 (uncodified) is amended to read  
31 as follows:

32       **FOR THE DEPARTMENT OF HEALTH**

33	General Fund--State Appropriation (FY 2012) . . . . .	(( <u>\$79,888,000</u> ))
34		<u>\$79,407,000</u>
35	General Fund--State Appropriation (FY 2013) . . . . .	(( <u>\$79,718,000</u> ))
36		<u>\$77,953,000</u>
37	General Fund--Federal Appropriation . . . . .	(( <u>\$555,563,000</u> ))



1		<u>\$553,200,000</u>
2	General Fund--Private/Local Appropriation . . . . .	(( <del>\$148,362,000</del> ))
3		<u>\$148,101,000</u>
4	Hospital Data Collection Account--State Appropriation . . . . .	\$214,000
5	Health Professions Account--State Appropriation . . . . .	(( <del>\$94,469,000</del> ))
6		<u>\$99,017,000</u>
7	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$604,000
8	Emergency Medical Services and Trauma Care Systems	
9	Trust Account--State Appropriation . . . . .	(( <del>\$12,302,000</del> ))
10		<u>\$12,300,000</u>
11	Safe Drinking Water Account--State Appropriation . . . . .	(( <del>\$4,480,000</del> ))
12		<u>\$4,466,000</u>
13	Drinking Water Assistance Account--Federal	
14	Appropriation . . . . .	(( <del>\$22,875,000</del> ))
15		<u>\$21,979,000</u>
16	Waterworks Operator Certification--State	
17	Appropriation . . . . .	(( <del>\$1,532,000</del> ))
18		<u>\$1,528,000</u>
19	Drinking Water Assistance Administrative Account--	
20	State Appropriation . . . . .	\$326,000
21	<u>Site Closure Account--State Appropriation . . . . .</u>	<u>\$79,000</u>
22	Biotoxin Account--State Appropriation . . . . .	\$1,167,000
23	State Toxics Control Account--State Appropriation . . . . .	(( <del>\$3,649,000</del> ))
24		<u>\$3,631,000</u>
25	Medical Test Site Licensure Account--State	
26	Appropriation . . . . .	(( <del>\$2,321,000</del> ))
27		<u>\$2,313,000</u>
28	Youth Tobacco Prevention Account--State Appropriation . . . . .	\$1,512,000
29	Community and Economic Development Fee Account--State	
30	Appropriation . . . . .	(( <del>\$596,000</del> ))
31		<u>\$298,000</u>
32	Public Health Supplemental Account--Private/Local	
33	Appropriation . . . . .	\$3,598,000
34	Accident Account--State Appropriation . . . . .	(( <del>\$297,000</del> ))
35		<u>\$295,000</u>
36	Medical Aid Account--State Appropriation . . . . .	\$50,000
37	Tobacco Prevention and Control Account--State	
38	Appropriation . . . . .	(( <del>\$37,000</del> ))

1 \$1,729,000  
2 TOTAL APPROPRIATION . . . . . ((~~\$1,013,560,000~~))  
3 \$1,013,767,000

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

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

27 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
28 is authorized to establish and raise fees in fiscal year 2012 as  
29 necessary to meet the actual costs of conducting business and the  
30 appropriation levels in this section. This authorization applies to  
31 fees required for: The review of health care facility construction;  
32 review of health facility requests for certificate of need; the  
33 regulation and inspection of farm worker housing, hospital licensing,  
34 in-home health service agencies, and producers of radioactive waste;  
35 the regulation and inspection of shellfish sanitary control, surgical  
36 facility licensing, and; fees associated with the following  
37 professions: Dietitians and nutritionists, occupational therapists,  
38 pharmacy, veterinarian, orthotics and prosthetics, surgical

1 technicians, nursing home administrators, health care assistants,  
2 hearing and speech, psychology, hypnotherapy, chiropractic, social  
3 workers, physicians, and physician assistants.

4 (3) Pursuant to RCW 18.130.250, the department is authorized to  
5 establish a lower cost fee category for retired licensed practical  
6 nurses and registered nurses.

7 (4) In accordance with RCW 43.135.055, the department is authorized  
8 to adopt fees set forth in and previously authorized in chapter 92,  
9 Laws of 2010.

10 (5) \$1,969,000 of the health professions account--state  
11 appropriation is provided solely to implement online licensing for  
12 health care providers. The department must submit a detailed  
13 investment plan for this project to the office of financial management.  
14 The office of financial management must review and approve this plan  
15 before funding may be expended. The department of health must  
16 successfully implement online application and renewal for at least one  
17 profession as a pilot project before pursuing additional professions.  
18 The department must report to the office of financial management on the  
19 outcome of the pilot project.

20 ((+4)) (6) \$16,000 of the health professions account--state  
21 appropriation is provided solely for the implementation of House Bill  
22 No. 1181 (board of naturopathy). If the bill is not enacted by June  
23 30, 2011, the amount provided in this subsection shall lapse.

24 ((+5)) (7) \$21,000 of the health professions account--state  
25 appropriation is provided solely for the implementation of Substitute  
26 House Bill No. 1304 (health care assistants). If the bill is not  
27 enacted by June 30, 2011, the amount provided in this subsection shall  
28 lapse.

29 ((+6)) (8) \$54,000 of the health professions account--state  
30 appropriation is provided solely for the implementation of House Bill  
31 No. 1353 (pharmacy technicians). If the bill is not enacted by June  
32 30, 2011, the amount provided in this subsection shall lapse.

33 ((+7)) (9) \$142,000 of the health professions account--state  
34 appropriation is provided solely for the implementation of Engrossed  
35 Substitute Senate Bill No. 5020 (social workers). If the bill is not  
36 enacted by June 30, 2011, the amount provided in this subsection shall  
37 lapse.

1           ~~((+8))~~ (10) \$336,000 of the health professions account--state  
2 appropriation is provided solely for the implementation of Senate Bill  
3 No. 5480 (physicians and physician assistants). If the bill is not  
4 enacted by June 30, 2011, the amount provided in this subsection shall  
5 lapse.

6           ~~((+9))~~ (11) \$46,000 of the health professions account--state  
7 appropriation is provided solely for the implementation of Substitute  
8 Senate Bill No. 5071 (online access for midwives and marriage and  
9 family therapists). If the bill is not enacted by June 30, 2011, the  
10 amount provided in this subsection shall lapse.

11           ~~((+10))~~ (12) \$137,000 of the health professions account--state  
12 appropriation is provided solely for implementation of Substitute House  
13 Bill No. 1133 (massage practitioner license). If the bill is not  
14 enacted by June 30, 2011, the amount provided in this subsection shall  
15 lapse.

16           ~~((+11))~~ (13) \$85,000 of the general fund--state appropriation for  
17 fiscal year 2012 (~~and \$85,000 of the general fund--state appropriation~~  
18 ~~for fiscal year 2013 are~~) is provided solely for the developmental  
19 disabilities council to contract for a family-to-family mentor program  
20 to provide information and support to families and guardians of persons  
21 who are transitioning out of residential habilitation centers. To the  
22 maximum extent allowable under federal law, these funds shall be  
23 matched under medicaid through the department of social and health  
24 services and federal funds shall be transferred to the department for  
25 the purposes stated in this subsection. If Second Substitute Senate  
26 Bill No. 5459 (people with developmental disabilities) is not enacted  
27 by June 30, 2011, the amounts provided in this subsection shall lapse.

28           ~~((+12))~~ (14) \$57,000 of the general fund--state appropriation for  
29 fiscal year 2012 and \$58,000 of the general fund--state appropriation  
30 for fiscal year 2013 are provided solely for the midwifery licensure  
31 and regulatory program to offset a reduction in revenue from fees.  
32 There 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           ~~((+13))~~ (15) \$118,000 of the general fund--state appropriation for  
37 fiscal year 2012 and \$118,000 of the general fund--state appropriation

1 for fiscal year 2013 are provided solely for prevention of youth  
2 suicides.

3 ~~((+14))~~ (16) \$87,000 of the general fund--state appropriation for  
4 fiscal year 2012 and \$87,000 of the general fund--state appropriation  
5 for fiscal year 2013 are provided solely for the senior falls  
6 prevention program.

7 (17) \$95,000 of the general fund--private/local appropriation is  
8 provided solely for implementation of Second Substitute House Bill No.  
9 2211 (adoptee information access). If the bill is not enacted by June  
10 30, 2012, the amount provided in this subsection shall lapse.

11 (18) \$162,000 of the hospital data collection account--state  
12 appropriation is provided solely for implementation of Engrossed  
13 Substitute House Bill No. 2341 (hospitals/community benefits). If the  
14 bill is not enacted by June 30, 2012, the amount provided in this  
15 subsection shall lapse.

16 (19) \$30,000 of the health professions account--state appropriation  
17 is provided solely for implementation of Engrossed Substitute House  
18 Bill No. 2473 (medication assistant endorsement). If the bill is not  
19 enacted by June 30, 2012, the amount provided in this subsection shall  
20 lapse.

21 (20) \$19,000 of the health professions account--state appropriation  
22 is provided solely for implementation of Senate Bill No. 6290 (military  
23 spouses and partners). If the bill is not enacted by June 30, 2012,  
24 the amount provided in this subsection shall lapse.

25 (21) \$50,000 of the health professions account--state appropriation  
26 is provided solely for implementation of Engrossed Substitute Senate  
27 Bill No. 6237 (career pathway/medical assistants). If the bill is not  
28 enacted by June 30, 2012, the amount provided in this subsection shall  
29 lapse.

30 (22) \$21,000 of the health professions account--state appropriation  
31 is provided solely for implementation of Substitute Senate Bill No.  
32 6328 (mental health professionals). If the bill is not enacted by June  
33 30, 2012, the amount provided in this subsection shall lapse.

34 (23) \$148,000 of the health professions account--state  
35 appropriation is provided solely for implementation of Engrossed  
36 Substitute Senate Bill No. 6103 (reflexologists). If the bill is not  
37 enacted by June 30, 2012, the amount provided in this subsection shall  
38 lapse.

1       (24) \$28,000 of the health professions account--state appropriation  
2 is provided solely for implementation of Engrossed Second Substitute  
3 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is  
4 not enacted by June 30, 2012, the amount provided in this subsection  
5 shall lapse.

6       (25) Appropriations for fiscal year 2013 include funding for  
7 consolidation of the department of ecology's low-level radioactive  
8 waste site use permit program in the department of health.

9       (26) During the remainder of the 2011-2013 fiscal biennium, each  
10 person subject to RCW 43.70.110(3)(c) is required to pay only one  
11 surcharge of up to twenty-five dollars annually for the purposes of RCW  
12 43.70.112, regardless of how many professional licenses the person  
13 holds.

14       (27) \$15,000 of the health professions account--state appropriation  
15 is provided solely to implement Substitute House Bill No. 2056  
16 (assisted living facilities). If the bill is not enacted by June 30,  
17 2012, the amount provided in this subsection shall lapse.

18       (28) \$11,000 of the health professions account--state appropriation  
19 is provided solely to implement Engrossed House Bill No. 2186 (licensed  
20 midwives). If the bill is not enacted by June 30, 2012, the amount  
21 provided in this subsection shall lapse.

22       (29) \$11,000 of the general fund--state appropriation for fiscal  
23 year 2013 is provided solely to implement Engrossed Substitute House  
24 Bill No. 2229 (hospital employees). If the bill is not enacted by June  
25 30, 2012, the amount provided in this subsection shall lapse.

26       (30) \$48,000 of the health professions account--state appropriation  
27 is provided solely to implement Engrossed Substitute House Bill No.  
28 2314 (long-term care workers). If the bill is not enacted by June 30,  
29 2012, the amount provided in this subsection shall lapse.

30       (31) \$15,000 of the general fund--state appropriation for fiscal  
31 year 2013 and \$178,000 of the health professions account--state  
32 appropriation are provided solely to implement Engrossed Substitute  
33 House Bill No. 2366 (suicide assessment and training). If the bill is  
34 not enacted by June 30, 2012, the amounts provided in this subsection  
35 shall lapse.

36       (32) \$11,000 of the general fund--state appropriation for fiscal  
37 year 2013 is provided solely to implement Engrossed Substitute House

1 Bill No. 2582 (health care services billing). If the bill is not  
2 enacted by June 30, 2012, the amount provided in this subsection shall  
3 lapse.

4 (33) \$22,000 of the general fund--state appropriation for fiscal  
5 year 2013 is provided solely to implement Substitute Senate Bill No.  
6 6105 (prescription monitoring program). If the bill is not enacted by  
7 June 30, 2012, the amount provided in this subsection shall lapse.

8 **Sec. 220.** 2011 2nd sp.s. c 9 s 219 (uncodified) is amended to read  
9 as follows:

10 **FOR THE DEPARTMENT OF CORRECTIONS**

11 The appropriations to the department of corrections in this act  
12 shall be expended for the programs and in the amounts specified in this  
13 section. However, after May 1, 2012, after approval by the director of  
14 financial management and unless specifically prohibited by this act,  
15 the department may transfer general fund--state appropriations for  
16 fiscal year 2012 between programs. The department shall not transfer  
17 funds, and the director of financial management shall not approve the  
18 transfer, unless the transfer is consistent with the objective of  
19 conserving, to the maximum extent possible, the expenditure of state  
20 funds. The director of financial management shall notify the  
21 appropriate fiscal committees of the senate and house of  
22 representatives in writing seven days prior to approving any deviations  
23 from appropriation levels. The written notification shall include a  
24 narrative explanation and justification of the changes, along with  
25 expenditures and allotments by budget unit and appropriation, both  
26 before and after any allotment modifications or transfers.

27 (1) ADMINISTRATION AND SUPPORT SERVICES

28 General Fund--State Appropriation (FY 2012) . . . . .	(( \$54,529,000 ))
	<u>\$52,529,000</u>
30 General Fund--State Appropriation (FY 2013) . . . . .	(( \$53,210,000 ))
	<u>\$52,981,000</u>
32 TOTAL APPROPRIATION . . . . .	(( \$107,739,000 ))
	<u>\$105,510,000</u>

34 The appropriations in this subsection are subject to the following  
35 conditions and limitations: \$35,000 of the general fund--state  
36 appropriation for fiscal year 2012 and \$35,000 of the general fund--  
37 state appropriation for fiscal year 2013 are provided solely for the

1 support of a statewide council on mentally ill offenders that includes  
2 as its members representatives of community-based mental health  
3 treatment programs, current or former judicial officers, and directors  
4 and commanders of city and county jails and state prison facilities.  
5 The council will investigate and promote cost-effective approaches to  
6 meeting the long-term needs of adults and juveniles with mental  
7 disorders who have a history of offending or who are at-risk of  
8 offending, including their mental health, physiological, housing,  
9 employment, and job training needs.

10 (2) CORRECTIONAL OPERATIONS

11	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$609,105,000</del> ))
12		<u>\$596,916,000</u>
13	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$602,804,000</del> ))
14		<u>\$576,545,000</u>
15	General Fund--Federal Appropriation . . . . .	\$3,324,000
16	Washington Auto Theft Prevention Authority Account--	
17	State Appropriation . . . . .	\$14,079,000
18	<u>Enhanced 911 Account--State Appropriation . . . . .</u>	<u>\$2,000,000</u>
19	TOTAL APPROPRIATION . . . . .	(( <del>\$1,229,312,000</del> ))
20		<u>\$1,192,864,000</u>

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

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

33 (b) The Harborview medical center and the University of Washington  
34 medical center shall provide inpatient and outpatient hospital services  
35 to offenders confined in department of corrections facilities at a rate  
36 no greater than the average rate that the department has negotiated  
37 with other community hospitals in Washington state.



1 (c) \$102,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$102,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely to implement House Bill No. 1290  
4 (health care employee overtime). If the bill is not enacted by June  
5 30, 2011, the amounts provided in this subsection shall lapse.

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

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

22 (f) \$311,000 of the general fund--state appropriation for fiscal  
23 year 2013 is provided solely for implementation of House Bill No. 2346  
24 (correctional officer uniforms). If the bill is not enacted by June  
25 30, 2012, the amount provided in this subsection shall lapse.

26 (g) \$41,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$165,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for the department to maintain the  
29 facility, property, and assets at the institution formerly known as the  
30 maple lane school in Rochester. The department may not house  
31 incarcerated offenders at the maple lane site until specifically  
32 directed by the legislature. By November 1, 2012, the department shall  
33 report to the appropriate fiscal committees of the house of  
34 representatives and the senate with a plan for the future use of the  
35 facility.

36 (h) By December 1, 2012, the department shall provide to the  
37 legislative fiscal committees a report that evaluates health care  
38 expenditures in Washington state correctional institutions and makes

1 recommendations for controlling health care costs. The report shall  
2 evaluate the source of health care costs, including offender health  
3 issues, use of pharmaceuticals, offsite and specialist medical care,  
4 chronic disease costs, and mental health issues. The department may  
5 include information from other states on cost control in offender  
6 health care, trends in offender health care that indicate potential  
7 cost increases, and management of high-cost diagnoses.

8 (i) The department shall convene a work group to develop health  
9 care cost containment strategies at local jail facilities. The work  
10 group shall identify cost containment strategies in place at the  
11 department and at local jail facilities, identify the costs and  
12 benefits of implementing strategies in jail health-care facilities, and  
13 make recommendations on implementing beneficial strategies. The work  
14 group shall submit a report on its findings and recommendations to the  
15 fiscal committees of the legislature by October 1, 2013. The work  
16 group shall include jail administrators, representatives from health  
17 care facilities at the local jail level and the state prisons level,  
18 and other representatives as deemed necessary.

19 (3) COMMUNITY SUPERVISION

20	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$129,635,000</del> ))
21		<u>\$127,625,000</u>
22	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$128,049,000</del> ))
23		<u>\$128,571,000</u>
24	Federal Narcotics Forfeiture Account--Federal	
25	Appropriation . . . . .	\$372,000
26	Controlled Substances Account--State	
27	Appropriation . . . . .	\$32,000
28	TOTAL APPROPRIATION . . . . .	(( <del>\$258,088,000</del> ))
29		<u>\$256,600,000</u>

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

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

37 (b) \$6,362,000 of the general fund--state appropriation for fiscal

1 year 2013 is provided solely to implement an evidence-based risk-needs-  
2 responsivity model for community supervision of offenders.

3 (4) CORRECTIONAL INDUSTRIES

4	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$3,535,000</del> ))
5		<u>\$2,513,000</u>
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$3,458,000</del> ))
7		<u>\$2,431,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$6,993,000</del> ))
9		<u>\$4,944,000</u>

10 The appropriations in this subsection are subject to the following  
11 conditions and limitations: \$66,000 of the general fund--state  
12 appropriation for fiscal year 2012 is provided solely for transfer to  
13 the jail industries board. The board shall use the amounts provided  
14 only for administrative expenses, equipment purchases, and technical  
15 assistance associated with advising cities and counties in developing,  
16 promoting, and implementing consistent, safe, and efficient offender  
17 work programs.

18 (5) INTERAGENCY PAYMENTS

19	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$37,053,000</del> ))
20		<u>\$36,045,000</u>
21	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$35,549,000</del> ))
22		<u>\$32,322,000</u>
23	TOTAL APPROPRIATION . . . . .	(( <del>\$72,602,000</del> ))
24		<u>\$68,367,000</u>

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

27 (a) The state prison institutions may use funds appropriated in  
28 this subsection to rent uniforms from correctional industries in  
29 accordance with existing legislative mandates. If House Bill No. 2346  
30 is enacted by June 30, 2012, this subsection (5)(a) is null and void as  
31 of June 30, 2012.

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

36 (c) The department shall reduce payments to the department of  
37 information services or its successor by \$213,000 in fiscal year 2012

1 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall  
2 be related to the elimination of the offender base tracking system,  
3 including moving remaining portions of the offender base tracking  
4 system into the offender management network information system.

5 **Sec. 221.** 2011 2nd sp.s. c 9 s 220 (uncodified) is amended to read  
6 as follows:

7 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

8	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,278,000</del> ))
9		<u>\$2,159,000</u>
10	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,264,000</del> ))
11		<u>\$2,131,000</u>
12	General Fund--Federal Appropriation . . . . .	(( <del>\$19,082,000</del> ))
13		<u>\$19,239,000</u>
14	General Fund--Private/Local Appropriation . . . . .	\$30,000
15	TOTAL APPROPRIATION . . . . .	(( <del>\$23,654,000</del> ))
16		<u>\$23,559,000</u>

17 **Sec. 222.** 2011 2nd sp.s. c 9 s 221 (uncodified) is amended to read  
18 as follows:

19 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

20	General Fund--Federal Appropriation . . . . .	(( <del>\$267,301,000</del> ))
21		<u>\$267,084,000</u>
22	General Fund--Private/Local Appropriation . . . . .	(( <del>\$33,931,000</del> ))
23		<u>\$33,860,000</u>
24	Unemployment Compensation Administration Account--	
25	Federal Appropriation . . . . .	(( <del>\$350,622,000</del> ))
26		<u>\$349,401,000</u>
27	Administrative Contingency Account--State	
28	Appropriation . . . . .	(( <del>\$20,948,000</del> ))
29		<u>\$20,942,000</u>
30	Employment Service Administrative Account--State	
31	Appropriation . . . . .	(( <del>\$33,721,000</del> ))
32		<u>\$33,618,000</u>
33	TOTAL APPROPRIATION . . . . .	(( <del>\$706,523,000</del> ))
34		<u>\$704,905,000</u>

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

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

7 (2) \$35,584,000 of the unemployment compensation administration  
8 account--federal appropriation is from amounts made available to the  
9 state by section 903 (d), (f), and (g) of the social security act (Reed  
10 act). This amount is provided solely for the replacement of the  
11 unemployment insurance tax information system for the employment  
12 security department. The employment security department shall support  
13 the department of revenue and department of labor and industries to  
14 develop a common vision to ensure technological compatibility between  
15 the three agencies to facilitate a coordinated business tax system for  
16 the future that improves services to business customers. The amounts  
17 provided in this subsection are conditioned on the department  
18 satisfying the requirements of the project management oversight  
19 standards and policies established by the office of the chief  
20 information officer created in Engrossed Substitute Senate Bill No.  
21 5931 (information technology management).

22 (3) \$25,000 of the unemployment compensation administration  
23 account--federal appropriation is from amounts made available to the  
24 state by section 903 (d), (f), and (g) of the social security act (Reed  
25 act). This amount is provided solely for implementation of system  
26 changes to the unemployment insurance tax information system required  
27 under chapter 4, Laws of 2011 (unemployment insurance program).

28 (4) \$1,459,000 of the unemployment compensation administration  
29 account--federal appropriation is from amounts available to the state  
30 by section 903 (d), (f), and (g) of the social security act (Reed act).  
31 This amount is provided solely for implementation of chapter 4, Laws of  
32 2011 (unemployment insurance program).

33 (5) (~~(\$60,000)~~) \$80,000 of the unemployment compensation  
34 administration account--federal appropriation is provided solely for  
35 costs associated with the initial review and evaluation of the training  
36 benefits program as directed in section 15(2), chapter 4, Laws of 2011  
37 (unemployment insurance program). The initial review shall be

1 developed by the joint legislative audit and review committee. This  
2 appropriation is provided from funds made available to the state by  
3 section 903 (d), (f), and (g) of the social security act (Reed act).

(End of part)

**PART III**  
**NATURAL RESOURCES**

**Sec. 301.** 2011 2nd sp.s. c 9 s 301 (uncodified) is amended to read as follows:

**FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2012) . . . . .	(\$402,000)
	<u>\$401,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(\$410,000)
	<u>\$404,000</u>
General Fund--Federal Appropriation . . . . .	\$31,000
General Fund--Private/Local Appropriation . . . . .	(\$782,000)
	<u>\$775,000</u>
TOTAL APPROPRIATION . . . . .	(\$1,625,000)
	<u>\$1,611,000</u>

**Sec. 302.** 2011 2nd sp.s. c 9 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2012) . . . . .	(\$47,630,000)
	<u>\$32,972,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(\$46,226,000)
	<u>\$28,735,000</u>
General Fund--Federal Appropriation . . . . .	(\$77,452,000)
	<u>\$100,000,000</u>
General Fund--Private/Local Appropriation . . . . .	(\$16,691,000)
	<u>\$16,714,000</u>
Special Grass Seed Burning Research Account--State Appropriation . . . . .	\$3,000
Reclamation Revolving Account--State Appropriation . . .	(\$3,642,000)
	<u>\$4,633,000</u>
Flood Control Assistance Account--State Appropriation . . . . .	(\$1,940,000)
	<u>\$1,929,000</u>
State Emergency Water Projects Revolving Account--State Appropriation . . . . .	\$270,000

1 Waste Reduction/Recycling/Litter Control--State  
2 Appropriation . . . . . ((~~\$11,478,000~~))  
3 \$9,715,000  
4 State Drought Preparedness Account--State  
5 Appropriation . . . . . ((~~\$118,000~~))  
6 \$204,000  
7 State and Local Improvements Revolving Account  
8 (Water Supply Facilities)--State Appropriation . . . . ((~~\$423,000~~))  
9 \$422,000  
10 ((~~Freshwater~~)) Aquatic Algae Control Account--State  
11 Appropriation . . . . . \$509,000  
12 Water Rights Tracking System Account--State Appropriation . . . \$46,000  
13 Site Closure Account--State Appropriation . . . . . ((~~\$703,000~~))  
14 \$620,000  
15 Wood Stove Education and Enforcement Account--State  
16 Appropriation . . . . . ((~~\$612,000~~))  
17 \$595,000  
18 Worker and Community Right-to-Know Account--State  
19 Appropriation . . . . . ((~~\$1,668,000~~))  
20 \$1,655,000  
21 Water Rights Processing Account--State Appropriation . . . ((~~\$136,000~~))  
22 \$135,000  
23 State Toxics Control Account--State Appropriation . . ((~~\$112,575,000~~))  
24 \$140,117,000  
25 State Toxics Control Account--Private/Local  
26 Appropriation . . . . . ((~~\$968,000~~))  
27 \$964,000  
28 Local Toxics Control Account--State Appropriation . . . ((~~\$27,390,000~~))  
29 \$26,160,000  
30 Water Quality Permit Account--State Appropriation . . . ((~~\$37,748,000~~))  
31 \$38,833,000  
32 Underground Storage Tank Account--State  
33 Appropriation . . . . . ((~~\$3,254,000~~))  
34 \$3,214,000  
35 Biosolids Permit Account--State Appropriation . . . . . ((~~\$1,805,000~~))  
36 \$1,791,000  
37 Hazardous Waste Assistance Account--State  
38 Appropriation . . . . . ((~~\$5,857,000~~))



1		<u>\$5,796,000</u>
2	Air Pollution Control Account--State Appropriation . . .	(( <del>\$2,468,000</del> ))
3		<u>\$2,541,000</u>
4	Oil Spill Prevention Account--State Appropriation . . .	(( <del>\$5,566,000</del> ))
5		<u>\$5,492,000</u>
6	Air Operating Permit Account--State Appropriation . . .	(( <del>\$2,746,000</del> ))
7		<u>\$2,713,000</u>
8	Freshwater Aquatic Weeds Account--State	
9	Appropriation . . . . .	(( <del>\$1,700,000</del> ))
10		<u>\$1,698,000</u>
11	Oil Spill Response Account--State Appropriation . . . . .	\$7,076,000
12	Metals Mining Account--State Appropriation . . . . .	\$14,000
13	Water Pollution Control Revolving Account--State	
14	Appropriation . . . . .	(( <del>\$611,000</del> ))
15		<u>\$608,000</u>
16	Water Pollution Control Revolving Account--Federal	
17	Appropriation . . . . .	(( <del>\$2,517,000</del> ))
18		<u>\$2,501,000</u>
19	TOTAL APPROPRIATION . . . . .	(( <del>\$421,842,000</del> ))
20		<u>\$438,675,000</u>

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

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

28       (2) Pursuant to RCW 43.135.055, the department is authorized to  
29 increase the following fees as necessary to meet the actual costs of  
30 conducting business and the appropriation levels in this section:  
31 Wastewater discharge permit, not more than 4.34 percent in fiscal year  
32 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not  
33 more than 10 percent during the biennium; and air contaminate source  
34 registration fee, not more than 36 percent during the biennium;  
35 agricultural burning acreage and pile burning fees, not more than 25  
36 percent and 100 percent respectively, in fiscal year 2013; and dam  
37 safety and inspection fees, not more than 35 percent in fiscal year

1 2012 and 4.62 percent in fiscal year 2013. Any fee increase  
2 implemented to offset general fund--state reductions in the 2011-2013  
3 fiscal biennium may be made effective on or before July 1, 2012.

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

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

14 (5) Pursuant to RCW 70.93.180(5), the appropriations in this  
15 section from the waste reduction, recycling, and litter control account  
16 shall only be expended on activities listed under RCW 70.93.180(1) (a)  
17 and (b), and the department shall not expend appropriations on RCW  
18 70.93.180(1)(c). The department may not spend waste reduction,  
19 recycling, and litter control account funds to support the following  
20 activities: The beyond waste plan, work on national solid waste  
21 recycling issues, work on construction and demolition recycling and  
22 green building alternatives, education programs including the green  
23 schools initiative, and management of the 1-800-recycle hotline and  
24 database on school awards. Waste reduction, recycling, and litter  
25 account control funds must be prioritized to support litter pickup  
26 using correctional crews, regulatory programs, and technical assistance  
27 to local governments.

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

37 (7) The department shall review its water rights application review  
38 procedures to simplify the procedures, eliminate unnecessary steps, and

1 decrease the time required to issue decisions. The department shall  
2 implement changes to improve water rights processing for which it has  
3 current administrative authority. The department shall report on  
4 reforms implemented and efficiencies achieved as demonstrated through  
5 enhanced permit processing to the appropriate committees of the  
6 legislature on December 1, 2011, and October 1, 2012.

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

13 (b) \$500,000 of the general fund--state appropriation for fiscal  
14 year 2013 is provided solely for processing water right permit  
15 applications only if the department of ecology issues at least five  
16 hundred water right decisions in fiscal year 2012, and if the  
17 department of ecology does not issue at least five hundred water right  
18 decisions in fiscal year 2012 the amount provided in this subsection  
19 shall lapse and remain unexpended. The department of ecology shall  
20 submit a report to the office of financial management and the state  
21 treasurer by June 30, 2012, that documents whether five hundred water  
22 right decisions were issued in fiscal year 2012. For the purposes of  
23 this subsection, applications that are voluntarily withdrawn by an  
24 applicant do not count towards the five hundred water right decision  
25 requirement. For the purposes of water budget-neutral requests under  
26 chapter 173-539A WAC, multiple domestic connections authorized within  
27 a single water budget-neutral decision are considered one decision for  
28 the purposes of this subsection.

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

32 (8) \$1,075,000 of the general fund--state appropriation for fiscal  
33 year 2012 and \$1,075,000 of the general fund--state appropriation for  
34 fiscal year 2013 are provided solely for processing the backlog of  
35 pending water rights permit applications in the water resources  
36 program.

37 (9) In accordance with RCW 43.135.055, the department is approved

1 to adopt fees set forth in and previously authorized by the following  
2 statutes:

- 3 (a) RCW 70.275.120, mercury light generation fee; and
- 4 (b) RCW 70.94.151, gasoline vapor registration fee and greenhouse  
5 gas emission reporting fee.

6 (10) Pursuant to House Bill No. 2304 (low-level waste), the  
7 appropriations in this section for the low-level radioactive waste site  
8 use permit program are for fiscal year 2012. Appropriations for fiscal  
9 year 2013 are contained in section 219 of this act.

10 (11) Pursuant to RCW 90.16.090(2), the appropriations in this  
11 section from the reclamation account--state appropriation shall be  
12 expended for the activities listed in RCW 90.16.090(1), and the  
13 expenditures need not be proportional to fee revenue sources.

14 (12) \$2,000,000 of the state toxics control account--state  
15 appropriation is provided solely for the replacement of uncertified  
16 solid fuel burning devices and solid fuel burning devices manufactured  
17 prior to 1995 for low and middle-income families in air quality  
18 nonattainment areas under the federal clean air act (42 U.S.C. Sec.  
19 7401 et seq.). The replacement heating device may include certified  
20 solid fuel burning devices, pellet stoves, or a cleaner natural gas or  
21 electric home heating device.

22 (13) \$188,000 of the general fund--state appropriation for fiscal  
23 year 2013 is provided solely for the implementation of Engrossed  
24 Substitute Senate Bill No. 6406 (state natural resources). If the bill  
25 is not enacted by June 30, 2012, the amount provided in this subsection  
26 shall lapse.

27 (14) \$50,000 of the state toxics control account--state  
28 appropriation is provided solely to fulfill technical assistances  
29 duties prescribed in Senate Bill No. 6120 (children's safe products).  
30 If the bill is not enacted by June 30, 2012, the amount provided in  
31 this subsection shall lapse.

32 **Sec. 303.** 2011 2nd sp.s. c 9 s 303 (uncodified) is amended to read  
33 as follows:

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

35	General Fund--State Appropriation (FY 2012) . . . . .	\$8,955,000
36	General Fund--State Appropriation (FY 2013) . . . . .	\$8,379,000
37	General Fund--Federal Appropriation . . . . .	\$5,905,000

1	Winter Recreation Program Account--State	
2	Appropriation . . . . .	(( <del>\$1,761,000</del> ))
3		<u>\$1,759,000</u>
4	ORV and Nonhighway Vehicle Account--State Appropriation . . . . .	\$224,000
5	Snowmobile Account--State Appropriation . . . . .	(( <del>\$4,848,000</del> ))
6		<u>\$4,844,000</u>
7	Aquatic Lands Enhancement Account--State	
8	Appropriation . . . . .	(( <del>\$363,000</del> ))
9		<u>\$4,363,000</u>
10	Parks Renewal and Stewardship Account--State	
11	Appropriation . . . . .	(( <del>\$116,087,000</del> ))
12		<u>\$108,385,000</u>
13	Parks Renewal and Stewardship Account--Private/Local	
14	Appropriation . . . . .	\$300,000
15	TOTAL APPROPRIATION . . . . .	(( <del>\$146,822,000</del> ))
16		<u>\$143,114,000</u>

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

19       (1) \$8,876,000 of the general fund--state appropriation for fiscal  
20 year 2012 (~~and~~), \$8,300,000 of the general fund--state appropriation  
21 for fiscal year 2013, and \$4,000,000 of the aquatic lands enhancement  
22 account--state appropriation are provided solely to operate and  
23 maintain state parks as the commission implements a new fee structure.  
24 The goal of this structure is to make the parks system self-supporting.  
25 By August 1, 2012, state parks must submit a report to the office of  
26 financial management detailing its progress toward this goal and  
27 outlining any additional statutory changes needed for successful  
28 implementation.

29       (2) \$79,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$79,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for a grant for the operation of  
32 the Northwest avalanche center.

33       (3) \$53,928,000 of the parks renewal and stewardship account--state  
34 appropriation is provided solely for implementation of Second  
35 Substitute Senate Bill No. 5622 (state land recreation access). If the  
36 bill is not enacted by June 30, 2011, the amount provided in this  
37 subsection shall lapse.

1 (4) Prior to closing any state park, the commission must notify all  
2 affected local governments and relevant nonprofit organizations of the  
3 intended closure and provide an opportunity for the notified local  
4 governments and nonprofit organizations to elect to acquire, or enter  
5 into, a maintenance and operating contract with the commission that  
6 would allow the park to remain open.

7 (5) Within the appropriations contained in this section, the  
8 commission shall remove trees from Brooks memorial state park that have  
9 been killed or damaged by fire in order to ensure the recovery of value  
10 from the sale of any timber that is surplus to the needs of the park.  
11 The commission shall remove such trees by September 30, 2012, and in a  
12 manner consistent with RCW 79A.05.035.

13 **Sec. 304.** 2011 2nd sp.s. c 9 s 304 (uncodified) is amended to read  
14 as follows:

15 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

16	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$954,000</del> ))
17		<u>\$898,000</u>
18	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$973,000</del> ))
19		<u>\$823,000</u>
20	General Fund--Federal Appropriation . . . . .	(( <del>\$3,299,000</del> ))
21		<u>\$3,295,000</u>
22	General Fund--Private/Local Appropriation . . . . .	(( <del>\$274,000</del> ))
23		<u>\$24,000</u>
24	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$278,000
25	Vessel Response Account--State Appropriation . . . . .	\$100,000
26	Firearms Range Account--State Appropriation . . . . .	\$37,000
27	Recreation Resources Account--State Appropriation . . . . .	(( <del>\$2,874,000</del> ))
28		<u>\$2,869,000</u>
29	NOVA Program Account--State Appropriation . . . . .	\$900,000
30	TOTAL APPROPRIATION . . . . .	(( <del>\$9,689,000</del> ))
31		<u>\$9,224,000</u>

32 The appropriations in this section are subject to the following  
33 conditions and limitations: \$40,000 of the general fund--federal  
34 appropriation, \$24,000 of the general fund--private/local  
35 appropriation, \$100,000 of the vessel response account--state  
36 appropriation, and \$12,000 of the recreation resources account--state

1 appropriation are provided solely for House Bill No. 1413 (invasive  
2 species council). If the bill is not enacted by June 30, 2011, the  
3 amounts provided in this subsection shall lapse.

4 **Sec. 305.** 2011 2nd sp.s. c 9 s 305 (uncodified) is amended to read  
5 as follows:

6 **FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**

7	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,308,000</del> ))
8		<u>\$2,153,000</u>
9	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,275,000</del> ))
10		<u>\$2,032,000</u>
11	TOTAL APPROPRIATION . . . . .	(( <del>\$4,583,000</del> ))
12		<u>\$4,185,000</u>

13 **Sec. 306.** 2011 2nd sp.s. c 9 s 306 (uncodified) is amended to read  
14 as follows:

15 **FOR THE CONSERVATION COMMISSION**

16	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$6,789,000</del> ))
17		<u>\$6,785,000</u>
18	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$6,792,000</del> ))
19		<u>\$5,759,000</u>
20	General Fund--Federal Appropriation . . . . .	\$1,301,000
21	TOTAL APPROPRIATION . . . . .	(( <del>\$14,882,000</del> ))
22		<u>\$13,845,000</u>

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

25 (1) The conservation commission, in cooperation with all  
26 conservation districts, will seek to minimize conservation district  
27 overhead costs. These efforts may include consolidating conservation  
28 districts.

29 (2) \$122,000 of the general fund--federal appropriation is provided  
30 solely for Engrossed Substitute House Bill No. 1886 (Ruckelshaus center  
31 process). If the bill is not enacted by June 30, 2011, the amount  
32 provided in this subsection shall lapse.

33 **Sec. 307.** 2011 2nd sp.s. c 9 s 307 (uncodified) is amended to read  
34 as follows:

1	<b>FOR THE DEPARTMENT OF FISH AND WILDLIFE</b>	
2	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$34,695,000</del> ))
3		<u>\$34,112,000</u>
4	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$32,388,000</del> ))
5		<u>\$26,727,000</u>
6	General Fund--Federal Appropriation . . . . .	(( <del>\$105,717,000</del> ))
7		<u>\$105,483,000</u>
8	General Fund--Private/Local Appropriation . . . . .	(( <del>\$57,025,000</del> ))
9		<u>\$56,923,000</u>
10	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
11	Aquatic Lands Enhancement Account--State	
12	Appropriation . . . . .	(( <del>\$8,230,000</del> ))
13		<u>\$9,863,000</u>
14	Recreational Fisheries Enhancement--State	
15	Appropriation . . . . .	(( <del>\$3,550,000</del> ))
16		<u>\$2,794,000</u>
17	Warm Water Game Fish Account--State Appropriation . . .	(( <del>\$3,051,000</del> ))
18		<u>\$2,841,000</u>
19	Eastern Washington Pheasant Enhancement Account--State	
20	Appropriation . . . . .	\$849,000
21	Aquatic Invasive Species Enforcement Account--State	
22	Appropriation . . . . .	\$204,000
23	Aquatic Invasive Species Prevention Account--State	
24	Appropriation . . . . .	(( <del>\$719,000</del> ))
25		<u>\$848,000</u>
26	State Wildlife Account--State Appropriation . . . . .	(( <del>\$100,424,000</del> ))
27		<u>\$100,884,000</u>
28	Special Wildlife Account--State Appropriation . . . . .	(( <del>\$2,384,000</del> ))
29		<u>\$2,382,000</u>
30	Special Wildlife Account--Federal Appropriation . . . . .	\$500,000
31	Special Wildlife Account--Private/Local Appropriation . . .	\$3,415,000
32	Wildlife Rehabilitation Account--State Appropriation . . . . .	\$259,000
33	Regional Fisheries Enhancement Salmonid Recovery	
34	Account--Federal Appropriation . . . . .	\$5,001,000
35	Oil Spill Prevention Account--State Appropriation . . . . .	(( <del>\$887,000</del> ))
36		<u>\$883,000</u>
37	Oyster Reserve Land Account--State Appropriation . . . . .	(( <del>\$921,000</del> ))
38		<u>\$919,000</u>



1	<u>Hydraulic Project Approval Account--State Appropriation . . . . .</u>	<u>\$415,000</u>
2	<u>Recreation Resources Account--State Appropriation . . . . .</u>	<u>\$2,300,000</u>
3	TOTAL APPROPRIATION . . . . .	(( <del>\$360,610,000</del> ))
4		<u>\$357,993,000</u>

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

7 (1) \$294,000 of the aquatic lands enhancement account--state  
8 appropriation is provided solely for the implementation of hatchery  
9 reform recommendations defined by the hatchery scientific review group.

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

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

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

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

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

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

36 (3) Prior to submitting its 2013-2015 biennial operating and  
37 capital budget request related to state fish hatcheries to the office  
38 of financial management, the department shall contract with the

1 hatchery scientific review group (HSRG) to review this request. This  
2 review shall: (a) Determine if the proposed requests are consistent  
3 with HSRG recommendations; (b) prioritize the components of the  
4 requests based on their contributions to protecting wild salmonid  
5 stocks and meeting the recommendations of the HSRG; and (c) evaluate  
6 whether the proposed requests are being made in the most cost effective  
7 manner. The department shall provide a copy of the HSRG review to the  
8 office of financial management with their agency budget proposal.

9 (4) \$400,000 of the general fund--state appropriation for fiscal  
10 year 2012 and \$400,000 of the general fund--state appropriation for  
11 fiscal year 2013 are provided solely for a state match to support the  
12 Puget Sound nearshore partnership between the department and the U.S.  
13 army corps of engineers.

14 (5) \$50,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$50,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for removal of derelict gear in  
17 Washington waters.

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

26 (7) Within the amounts appropriated in this section, the department  
27 shall identify additional opportunities for partnerships in order to  
28 keep fish hatcheries operational. Such partnerships shall aim to  
29 maintain fish production and salmon recovery with less reliance on  
30 state operating funds.

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

36 (9) Prior to opening game management unit 490 to public hunting,  
37 the department shall complete an environmental impact statement that

1 includes an assessment of how public hunting activities will impact the  
2 ongoing protection of the public water supply.

3 (10) \$18,514,000 of the state wildlife account--state appropriation  
4 is provided solely for the implementation of Second Substitute Senate  
5 Bill No. 5385 (state wildlife account). If the bill is not enacted by  
6 June 30, 2011, the amount provided in this subsection shall lapse.

7 (11) (~~(\$9,418,000)~~) \$8,522,000 of the state wildlife account--state  
8 appropriation is provided solely for the implementation of Second  
9 Substitute Senate Bill No. 5622 (state land recreation access). If the  
10 bill is not enacted by June 30, 2011, the amount provided in this  
11 subsection shall lapse.

12 (12) \$50,000 of the state wildlife account--state appropriation is  
13 provided solely for mitigation, claims, and assessment costs for injury  
14 or loss of livestock caused by wolves, black bears, and cougars.

15 (13) \$552,000 of the aquatic lands enhancement account--state  
16 appropriation is provided solely for increased law enforcement capacity  
17 to reduce the occurrence of geoduck poaching and illegal harvest  
18 activities. The department shall fill current vacant law enforcement  
19 positions prior to filling the new positions created under this  
20 subsection.

21 (14) \$415,000 of the hydraulic project approval--state  
22 appropriation is provided solely for the implementation of Engrossed  
23 Substitute Senate Bill No. 6406 (state natural resources). If the bill  
24 is not enacted by June 30, 2012, the amount provided in this subsection  
25 shall lapse.

26 **Sec. 308.** 2011 2nd sp.s. c 9 s 308 (uncodified) is amended to read  
27 as follows:

28 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

29	General Fund--State Appropriation (FY 2012) . . . . .	((\$31,324,000))
30		<u>\$30,912,000</u>
31	General Fund--State Appropriation (FY 2013) . . . . .	((\$35,791,000))
32		<u>\$33,423,000</u>
33	General Fund--Federal Appropriation . . . . .	((\$27,919,000))
34		<u>\$27,873,000</u>
35	General Fund--Private/Local Appropriation . . . . .	((\$2,374,000))
36		<u>\$2,372,000</u>
37	Forest Development Account--State Appropriation . . . . .	((\$41,717,000))

1		<u>\$44,783,000</u>
2	ORV and Nonhighway Vehicle Account--State	
3	Appropriation . . . . .	(( <del>\$4,387,000</del> ))
4		<u>\$4,373,000</u>
5	Surveys and Maps Account--State Appropriation . . . . .	(( <del>\$2,346,000</del> ))
6		<u>\$2,118,000</u>
7	Aquatic Lands Enhancement Account--State	
8	Appropriation . . . . .	(( <del>\$7,224,000</del> ))
9		<u>\$1,178,000</u>
10	Resources Management Cost Account--State	
11	Appropriation . . . . .	(( <del>\$82,097,000</del> ))
12		<u>\$89,154,000</u>
13	Surface Mining Reclamation Account--State	
14	Appropriation . . . . .	(( <del>\$3,484,000</del> ))
15		<u>\$3,470,000</u>
16	Disaster Response Account--State Appropriation . . . . .	\$5,000,000
17	Forest and Fish Support Account--State Appropriation . . . . .	(( <del>\$7,933,000</del> ))
18		<u>\$9,784,000</u>
19	Aquatic Land Dredged Material Disposal Site	
20	Account--State Appropriation . . . . .	\$838,000
21	Natural Resources Conservation Areas Stewardship	
22	Account--State Appropriation . . . . .	\$34,000
23	State Toxics Control Account--State Appropriation . . . . .	\$80,000
24	Air Pollution Control Account--State Appropriation . . . . .	(( <del>\$669,000</del> ))
25		<u>\$540,000</u>
26	NOVA Program Account--State Appropriation . . . . .	(( <del>\$639,000</del> ))
27		<u>\$635,000</u>
28	Derelict Vessel Removal Account--State Appropriation . . . . .	\$1,761,000
29	Agricultural College Trust Management Account--State	
30	Appropriation . . . . .	(( <del>\$1,854,000</del> ))
31		<u>\$1,848,000</u>
32	<u>Marine Resources Stewardship Account--State</u>	
33	<u>Appropriation . . . . .</u>	<u>\$2,100,000</u>
34	<u>Forest Practices Application Account--State</u>	
35	<u>Appropriation . . . . .</u>	<u>\$780,000</u>
36	TOTAL APPROPRIATION . . . . .	(( <del>\$257,471,000</del> ))
37		<u>\$263,056,000</u>

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

3 (1) \$710,000 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) \$8,030,000 of the general fund--state appropriation for fiscal  
10 year 2012, (~~(\$10,037,000)~~) \$8,819,000 of the general fund--state  
11 appropriation for fiscal year 2013, \$595,000 of the forest development  
12 account--state appropriation for fiscal year 2013, and \$5,000,000 of  
13 the disaster response account--state appropriation are provided solely  
14 for emergency fire suppression. None of the general fund and disaster  
15 response account amounts provided in this subsection may be used to  
16 fund agency indirect and administrative expenses. Agency indirect and  
17 administrative costs shall be allocated among the agency's remaining  
18 accounts and appropriations. The department of natural resources shall  
19 submit a quarterly report to the office of financial management and the  
20 legislative fiscal committees detailing information on current and  
21 planned expenditures from the disaster response account. This work  
22 shall be done in coordination with the military department.

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

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

31 (~~(5) \$487,000~~) \$4,500,000 of the forest and fish support account--  
32 state appropriation is provided solely for outcome-based, performance  
33 contracts with tribes to participate in the implementation of the  
34 forest practices program. Contracts awarded in fiscal year 2013 may  
35 only contain indirect costs set at or below the rate in the contracting  
36 tribe's indirect cost agreement with the federal government. If  
37 federal funding for this purpose is reinstated, the amount provided in  
38 this subsection shall lapse.

1       (4) \$518,000 of the forest and fish support account--state  
2 appropriation is provided solely for outcome-based performance  
3 contracts with nongovernmental organizations to participate in the  
4 implementation of the forest practices program. Contracts awarded in  
5 fiscal year 2013 may only contain indirect cost set at or below a rate  
6 of eighteen percent.

7       (5) During the 2011-2013 fiscal biennium, \$717,000 of the ((general  
8 fund)) forest and fish support account--state appropriation is provided  
9 solely to fund interagency agreements with the department of ecology  
10 and the department of fish and wildlife as part of the adaptive  
11 management process.

12       (6) \$1,000,000 of the general fund--federal appropriation and  
13 \$1,000,000 of the forest and fish support account--state appropriation  
14 are provided solely for continuing scientific studies already underway  
15 as part of the adaptive management process. Funds may not be used to  
16 initiate new studies unless the department secures new federal funding  
17 for the adaptive management process.

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

22       (8) \$440,000 of the state general fund--state appropriation for  
23 fiscal year 2012 and \$440,000 of the state general fund--state  
24 appropriation for fiscal year 2013 are provided solely for forest work  
25 crews that support correctional camps and are contingent upon  
26 continuing operations of Naselle youth camp.

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

32       (10) \$780,000 of the forest practices application account--state  
33 appropriation, \$18,000 of the forest development account--state  
34 appropriation, \$22,000 of the resources management cost account--state  
35 appropriation, and \$2,000 of the surface mining reclamation account--  
36 state appropriation are provided solely for the implementation of  
37 Engrossed Substitute Senate Bill No. 6406 (state natural resources).

1 If the bill is not enacted by June 30, 2012, the amounts provided in  
2 this subsection shall lapse.

3 (11) \$2,100,000 of the marine resources stewardship account--state  
4 appropriation is provided solely for the implementation of Second  
5 Substitute Senate Bill No. 6263 (marine management planning). If the  
6 bill is not enacted by June 30, 2012, the amount provided in this  
7 subsection shall lapse.

8 (12) In partnership with the department of ecology, the departments  
9 shall deliver a report to the governor, the appropriate committees of  
10 the legislature, and the forest practices board by September 1, 2012,  
11 documenting forest practices adaptive management program reforms  
12 implemented, or recommended, that streamline existing processes to  
13 increase program efficiencies and effectiveness. The departments shall  
14 collaborate with interested adaptive management program participants in  
15 the development of the report.

16 **Sec. 309.** 2011 2nd sp.s. c 9 s 309 (uncodified) is amended to read  
17 as follows:

18 **FOR THE DEPARTMENT OF AGRICULTURE**

19	General Fund--State Appropriation (FY 2012) . . . . .	(( \$15,484,000 ))
20		<u>\$15,435,000</u>
21	General Fund--State Appropriation (FY 2013) . . . . .	(( \$14,875,000 ))
22		<u>\$14,565,000</u>
23	General Fund--Federal Appropriation . . . . .	(( \$22,940,000 ))
24		<u>\$22,815,000</u>
25	General Fund--Private/Local Appropriation . . . . .	\$190,000
26	Aquatic Lands Enhancement Account--State	
27	Appropriation . . . . .	(( \$2,553,000 ))
28		<u>\$2,544,000</u>
29	State Toxics Control Account--State Appropriation . . . . .	(( \$5,118,000 ))
30		<u>\$5,093,000</u>
31	Water Quality Permit Account--State Appropriation . . . . .	\$60,000
32	Freshwater Aquatic Weeds Account--State Appropriation . . . . .	\$280,000
33	TOTAL APPROPRIATION . . . . .	(( \$61,500,000 ))
34		<u>\$60,982,000</u>

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

1       (1) \$5,308,445 of the general fund--state appropriation for fiscal  
2 year 2012 and \$5,302,905 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for implementing the food  
4 assistance program as defined in RCW 43.23.290.

5       (2) Pursuant to RCW 43.135.055, the department is authorized to  
6 increase the following fees in the 2011-2013 fiscal biennium as  
7 necessary to meet the actual costs of conducting business: Fruit and  
8 vegetable platform inspections; grain program services; warehouse  
9 audits; requested inspections; seed inspections, testing, sampling and  
10 certifications; phytosanitary certifications for seed; commission  
11 merchants; and sod quality seed tags and tagging. In addition,  
12 pursuant to RCW 43.135.055, 17.21.134, and 15.58.240, the department is  
13 authorized to establish pesticide license examination fees.

14       **Sec. 310.** 2011 2nd sp.s. c 9 s 310 (uncodified) is amended to read  
15 as follows:

16 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

17 Pollution Liability Insurance Program Trust

18       Account--State Appropriation . . . . .	(( <del>\$668,000</del> ))
19	<u>\$661,000</u>

20       **Sec. 311.** 2011 2nd sp.s. c 9 s 311 (uncodified) is amended to read  
21 as follows:

22 **FOR THE PUGET SOUND PARTNERSHIP**

23       General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$2,399,000</del> ))
24	<u>\$2,273,000</u>
25       General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,424,000</del> ))
26	<u>\$2,253,000</u>
27       General Fund--Federal Appropriation . . . . .	(( <del>\$9,581,000</del> ))
28	<u>\$12,428,000</u>
29       General Fund--Private/Local Appropriation . . . . .	\$25,000
30       Aquatic Lands Enhancement Account--State	
31       Appropriation . . . . .	\$493,000
32       State Toxics Control Account--State Appropriation . . . . .	(( <del>\$665,000</del> ))
33	<u>\$658,000</u>
34       TOTAL APPROPRIATION . . . . .	(( <del>\$15,587,000</del> ))
35	<u>\$18,130,000</u>



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

3       (1) \$665,000 of the state toxics control account--state  
4 appropriation is provided solely for activities that contribute to  
5 Puget Sound protection and recovery, including provision of independent  
6 advice and assessment of the state's oil spill prevention,  
7 preparedness, and response programs, including review of existing  
8 activities and recommendations for any necessary improvements. The  
9 partnership may carry out this function through an existing committee,  
10 such as the ecosystem coordination board or the leadership council, or  
11 may appoint a special advisory council. Because this is a unique  
12 statewide program, the partnership may invite participation from  
13 outside the Puget Sound region.

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

(End of part)

**PART IV**  
**TRANSPORTATION**

**Sec. 401.** 2011 2nd sp.s. c 9 s 401 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,167,000</del> ))
	<u>\$1,163,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$1,307,000</del> ))
	<u>\$1,285,000</u>
Architects' License Account--State Appropriation . . . . .	(( <del>\$1,084,000</del> ))
	<u>\$1,075,000</u>
Professional Engineers' Account--State Appropriation . . . . .	(( <del>\$3,518,000</del> ))
	<u>\$3,493,000</u>
Real Estate Commission Account--State Appropriation . . . . .	(( <del>\$9,833,000</del> ))
	<u>\$9,701,000</u>
Uniform Commercial Code Account--State Appropriation . . . . .	(( <del>\$3,120,000</del> ))
	<u>\$3,108,000</u>
Real Estate Education Account--State Appropriation . . . . .	\$276,000
Real Estate Appraiser Commission Account--State Appropriation . . . . .	(( <del>\$1,687,000</del> ))
	<u>\$1,656,000</u>
Business and Professions Account--State Appropriation . . . . .	(( <del>\$15,592,000</del> ))
	<u>\$15,609,000</u>
Real Estate Research Account--State Appropriation . . . . .	\$622,000
Geologists' Account--State Appropriation . . . . .	\$51,000
Derelict Vessel Removal Account--State Appropriation . . . . .	\$31,000
TOTAL APPROPRIATION . . . . .	(( <del>\$38,288,000</del> ))
	<u>\$38,070,000</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

1 increase fees for collection agencies. This increase is necessary to  
2 support the expenditures authorized in this section, consistent with  
3 RCW 43.24.086.

4 (2) \$8,000 of the business and professions account--state  
5 appropriation is provided solely to implement Substitute Senate Bill  
6 No. 5574 (collection agencies).

7 (3) \$150,000 of the business and professions account--state  
8 appropriation is provided solely to implement Substitute House Bill No.  
9 2301 (mixed martial arts, boxing, martial arts, and wrestling).  
10 Pursuant to RCW 43.135.055 and 43.24.086, the department is authorized  
11 to charge and increase fees to defray the cost of administering the  
12 program, consistent with RCW 67.08.105. If the bill is not enacted by  
13 June 30, 2012, the amount provided in this subsection shall lapse.

14 (4) Pursuant to RCW 43.135.055 and 43.24.086, the department is  
15 authorized to increase fees for the camping resort program. This  
16 increase is necessary to support the expenditures authorized in this  
17 section, consistent with RCW 19.105.411.

18 **Sec. 402.** 2011 2nd sp.s. c 9 s 402 (uncodified) is amended to read  
19 as follows:

20 **FOR THE STATE PATROL**

21	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$37,352,000</del> ))
22		<u>\$35,400,000</u>
23	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$35,108,000</del> ))
24		<u>\$32,901,000</u>
25	General Fund--Federal Appropriation . . . . .	\$16,081,000
26	General Fund--Private/Local Appropriation . . . . .	\$3,021,000
27	Death Investigations Account--State Appropriation . . .	(( <del>\$5,551,000</del> ))
28		<u>\$5,537,000</u>
29	County Criminal Justice Assistance Account--State	
30	Appropriation . . . . .	(( <del>\$3,215,000</del> ))
31		<u>\$3,207,000</u>
32	Municipal Criminal Justice Assistance Account--State	
33	Appropriation . . . . .	(( <del>\$1,290,000</del> ))
34		<u>\$1,286,000</u>
35	Fire Service Trust Account--State Appropriation . . . . .	\$131,000
36	Disaster Response Account--State Appropriation . . . . .	\$8,002,000
37	Fire Service Training Account--State Appropriation . . .	(( <del>\$9,394,000</del> ))

1		<u>\$9,386,000</u>
2	Aquatic Invasive Species Enforcement Account--State	
3	Appropriation . . . . .	\$54,000
4	State Toxics Control Account--State Appropriation . . . . .	\$505,000
5	Fingerprint Identification Account--State	
6	Appropriation . . . . .	(( <del>\$10,090,000</del> ))
7		<u>\$10,067,000</u>
8	Vehicle License Fraud Account--State Appropriation . . . . .	(( <del>\$339,000</del> ))
9		<u>\$437,000</u>
10	TOTAL APPROPRIATION . . . . .	(( <del>\$130,133,000</del> ))
11		<u>\$126,015,000</u>

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

14       (1) \$200,000 of the fire service training account--state  
15 appropriation is provided solely for two FTEs in the office of the  
16 state director of fire protection to exclusively review K-12  
17 construction documents for fire and life safety in accordance with the  
18 state building code. It is the intent of this appropriation to provide  
19 these services only to those districts that are located in counties  
20 without qualified review capabilities.

21       (2) \$8,000,000 of the disaster response account--state  
22 appropriation is provided solely for Washington state fire service  
23 resource mobilization costs incurred in response to an emergency or  
24 disaster authorized under RCW 43.43.960 and 43.43.964. The state  
25 patrol shall submit a report quarterly to the office of financial  
26 management and the legislative fiscal committees detailing information  
27 on current and planned expenditures from this account. This work shall  
28 be done in coordination with the military department.

29       (3) \$400,000 of the fire service training account--state  
30 appropriation is provided solely for the firefighter apprenticeship  
31 training program.

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

36       (5) \$59,000 of the fingerprint identification account--state  
37 appropriation is provided solely for implementation of Engrossed Second

1 Substitute House Bill No. 1776 (child care center licensing). If the  
2 bill is not enacted by June 30, 2011, the amount provided in this  
3 subsection shall lapse.

4 (6) \$6,000 of the fingerprint identification account--state  
5 appropriation is provided solely for implementation of Engrossed  
6 Substitute House Bill No. 1494 (vulnerable adult referrals). If the  
7 bill is not enacted by June 30, 2011, the amount provided in this  
8 subsection shall lapse.

9 (7) \$1,000 of the fingerprint identification account--state  
10 appropriation is provided solely for implementation of Engrossed Senate  
11 Bill No. 6296 (background checks). If the bill is not enacted by June  
12 30, 2012, the amount provided in this subsection shall lapse.

(End of part)

**PART V**  
**EDUCATION**

**Sec. 501.** 2011 2nd sp.s. c 9 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$25,406,000</del> ))
	<u>\$25,322,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$22,502,000</del> ))
	<u>\$27,043,000</u>
General Fund--Federal Appropriation . . . . .	(( <del>\$77,065,000</del> ))
	<u>\$77,011,000</u>
General Fund--Private/Local Appropriation . . . . .	\$4,000,000
TOTAL APPROPRIATION . . . . .	(( <del>\$128,973,000</del> ))
	<u>\$133,376,000</u>

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

(1) A maximum of ((~~\$16,139,000~~)) \$16,056,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$13,335,000~~)) \$14,878,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) ((~~\$9,775,000~~)) \$9,692,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$8,532,000~~)) \$8,172,000 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.

1 (iii) Within the amounts provided, and in consultation with the  
2 public school employees of Washington and the Washington school  
3 counselors' association, the office of the superintendent of public  
4 instruction shall develop a model policy that further defines the  
5 recommended roles and responsibilities of graduation coaches and  
6 identifies best practices for how graduation coaches work in  
7 coordination with school counselors and in the context of a  
8 comprehensive school guidance and counseling program.

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

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

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

30 (d) \$1,744,000 of the general fund--state appropriation for fiscal  
31 year 2012 and (~~(\$1,362,000)~~) \$1,387,000 of the general fund--state  
32 appropriation for fiscal year 2013 are provided solely to the  
33 professional educator standards board for the following:

34 (i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year  
35 2013 are for the operation and expenses of the Washington professional  
36 educator standards board; and

37 (ii) \$694,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$312,000 of the general fund--state appropriation for

1 fiscal year 2013 are for conditional scholarship loans and mentor  
2 stipends provided through the alternative routes to certification  
3 program administered by the professional educator standards board,  
4 including the pipeline for paraeducators program and the retooling to  
5 teach conditional loan programs. Funding within this subsection  
6 (1)(d)(ii) is also provided for the recruiting Washington teachers  
7 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-  
8 2013 fiscal biennium are intended to be one-time; and

9 (iii) \$25,000 of the general fund--state appropriation for fiscal  
10 year 2013 is provided solely for the professional educator standards  
11 board to develop educator interpreter standards and identify  
12 interpreter assessments that are available to school districts.  
13 Interpreter assessments should meet the following criteria: (A)  
14 Include both written assessment and performance assessment; (B) be  
15 offered by a national organization of professional sign language  
16 interpreters and transliterators; and (C) be designed to assess  
17 performance in more than one sign system or sign language. The board  
18 shall establish a performance standard, defining what constitutes a  
19 minimum assessment result, for each educational interpreter assessment  
20 identified. The board shall publicize the standards and assessments  
21 for school district use.

22 (e) \$133,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$133,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for the implementation of chapter  
25 240, Laws of 2010, including staffing the office of equity and civil  
26 rights.

27 (f) \$50,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$50,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for the ongoing work of the  
30 education opportunity gap oversight and accountability committee.

31 (g) \$45,000 of the general fund--state appropriation for fiscal  
32 year 2012 and \$45,000 of the general fund--state appropriation for  
33 fiscal year 2013 are provided solely for the implementation of chapter  
34 380, Laws of 2009 (enacting the interstate compact on educational  
35 opportunity for military children).

36 (h) \$159,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$93,000 of the general fund--state appropriation for  
38 fiscal year 2013 are provided solely for the implementation of chapter



1 185, Laws of 2011 (bullying prevention), which requires the office of  
2 the superintendent of public instruction to convene an ongoing  
3 workgroup on school bullying and harassment prevention. Within the  
4 amounts provided, \$140,000 is for youth suicide prevention activities.

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

11 (j) \$25,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$25,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely for project citizen, a program  
14 sponsored by the national conference of state legislatures and the  
15 center for civic education to promote participation in government by  
16 middle school students.

17 (k) \$166,000 of the general fund--state appropriation for fiscal  
18 year 2012 is provided solely for the implementation of chapter 192,  
19 Laws of 2011 (school district insolvency). Funding is provided to  
20 develop a clear legal framework and process for dissolution of a school  
21 district.

22 (l) \$1,500,000 of the general fund--state appropriation for fiscal  
23 year 2013 is provided solely for implementation of House Bill No. 2799  
24 (collaborative schools). If such legislation is not enacted by June  
25 30, 2012, the amount provided in this subsection shall lapse.

26 (m) \$128,000 of the general fund--state appropriation for fiscal  
27 year 2013 is provided solely pursuant to Substitute House Bill No. 2254  
28 (foster care outcomes). The office of the superintendent of public  
29 instruction shall report on the implementation of the state's plan of  
30 cross-system collaboration to promote educational stability and improve  
31 education outcomes of foster youth. The first report is due December  
32 1, 2012, and annually thereafter through 2015. If the bill is not  
33 enacted by June 30, 2012, the amount provided in this subsection shall  
34 lapse.

35 (n) \$250,000 of the general fund--state appropriation for fiscal  
36 year 2013 is provided solely for implementation of House Bill No. 2337  
37 (open K-12 education resources). If the bill is not enacted by June  
38 30, 2012, the amount provided in this subsection shall lapse.

1 (2) \$9,267,000 of the general fund--state appropriation for fiscal  
2 year 2012 and (~~(\$9,167,000)~~) \$12,167,000 of the general fund--state  
3 appropriation for fiscal year 2013 are for statewide programs.

4 (a) HEALTH AND SAFETY

5 (i) \$2,541,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$2,541,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for a corps of nurses located at  
8 educational service districts, as determined by the superintendent of  
9 public instruction, to be dispatched to the most needy schools to  
10 provide direct care to students, health education, and training for  
11 school staff.

12 (ii) \$50,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$50,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for a nonviolence and leadership  
15 training program provided by the institute for community leadership.

16 (b) TECHNOLOGY

17 \$1,221,000 of the general fund--state appropriation for fiscal year  
18 2012 and \$1,221,000 of the general fund--state appropriation for fiscal  
19 year 2013 are provided solely for K-20 telecommunications network  
20 technical support in the K-12 sector to prevent system failures and  
21 avoid interruptions in school utilization of the data processing and  
22 video-conferencing capabilities of the network. These funds may be  
23 used to purchase engineering and advanced technical support for the  
24 network.

25 (c) GRANTS AND ALLOCATIONS

26 (i) \$675,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$675,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for the Washington state achievers  
29 scholarship program. The funds shall be used to support community  
30 involvement officers that recruit, train, and match community volunteer  
31 mentors with students selected as achievers scholars.

32 (ii) \$1,000,000 of the general fund--state appropriation for fiscal  
33 year 2012 and \$1,000,000 of the general fund--state appropriation for  
34 fiscal year 2013 are provided solely for contracting with a college  
35 scholarship organization with expertise in conducting outreach to  
36 students concerning eligibility for the Washington college bound  
37 scholarship consistent with chapter 405, Laws of 2007.

1 (iii) \$2,808,000 of the general fund--state appropriation for  
2 fiscal year 2012 and \$2,808,000 of the general fund--state  
3 appropriation for fiscal year 2013 are provided solely for the  
4 dissemination of the navigation 101 curriculum to all districts. The  
5 funding shall support electronic student planning tools and software  
6 for analyzing the impact of navigation 101 on student performance, as  
7 well as grants to a maximum of one hundred school districts each year,  
8 based on progress and need for the implementation of the navigation 101  
9 program. The implementation grants shall be awarded to a cross-section  
10 of school districts reflecting a balance of geographic and demographic  
11 characteristics. Within the amounts provided, the office of the  
12 superintendent of public instruction will create a navigation 101  
13 accountability model to analyze the impact of the program.

14 (iv) \$337,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$337,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for implementation of the building  
17 bridges statewide program for comprehensive dropout prevention,  
18 intervention, and reengagement strategies.

19 (v) \$135,000 of the general fund--state appropriation for fiscal  
20 year 2012 and \$135,000 of the general fund--state appropriation for  
21 fiscal year 2013 are provided solely for dropout prevention programs at  
22 the office of the superintendent of public instruction, including the  
23 jobs for America's graduates (JAG) program.

24 (vi) \$500,000 of the general fund--state appropriation for fiscal  
25 year 2012 and (~~(\$400,000)~~) \$1,400,000 of the general fund--state  
26 appropriation for fiscal year 2013 are provided solely for the  
27 implementation of chapter 340, Laws of 2011 (assessment of students in  
28 state-funded full-day kindergarten classrooms), including the  
29 development and implementation of the Washington kindergarten inventory  
30 of developing skills (WaKIDS). Of the amounts in this subsection,  
31 \$1,000,000 of the fiscal year 2013 appropriation is for the  
32 implementation of House Bill No. 2586 (kindergarten inventory). If the  
33 bill is not enacted by June 30, 2012, this amount shall lapse.

34 (vii) \$2,000,000 of the general fund--state appropriation for  
35 fiscal year 2013 is provided solely for an urban school turnaround  
36 initiative as follows:

37 (A) The office of the superintendent of public instruction shall  
38 select two schools in the largest urban school district in the state.

1 The selected schools shall be among the state's lowest-performing  
2 schools; be located within the same community and form a continuum of  
3 education for the students in that community; have significant  
4 educational achievement gaps; and include a mix of elementary, middle,  
5 or high schools.

6 (B) The office shall allocate the funds under this subsection (vii)  
7 to the school district to be used exclusively in the selected schools.  
8 The district may not charge an overhead or indirect fee for the  
9 allocated funds or supplant other state, federal, or local funds in the  
10 selected schools. The school district shall use the funds for  
11 intensive supplemental instruction, services, and materials in the  
12 selected schools in the 2012-13 school year, including but not limited  
13 to professional development for school staff; updated curriculum,  
14 materials, and technology; extended learning opportunities for  
15 students; reduced class size; summer enrichment activities;  
16 school-based health clinics; and other research-based initiatives to  
17 dramatically turn around the performance and close the achievement gap  
18 in the schools. Priorities for the expenditure of the funds shall be  
19 determined by the leadership and staff of each school.

20 (C) The office shall monitor the activities in the selected schools  
21 and the expenditure of funds to ensure the intent of this subsection  
22 (vii) is met, and submit a report to the legislature by December 1,  
23 2013, including outcomes resulting from the urban school turnaround  
24 initiative. The report submitted to the legislature must include a  
25 comparison of student learning achievement in the selected schools with  
26 schools of comparable demographics that have not participated in the  
27 grant program.

28 (D) Funding provided in this subsection (vii) is intended to be  
29 one-time.

30 **Sec. 502.** 2011 2nd sp.s. c 9 s 502 (uncodified) is amended to read  
31 as follows:

32	<b>FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL</b>
33	<b>APPORTIONMENT</b>
34	General Fund--State Appropriation (FY 2012) . . . . (( <del>\$5,253,769,000</del> ))
35	\$5,241,233,000
36	General Fund--State Appropriation (FY 2013) . . . . (( <del>\$5,205,868,000</del> ))
37	\$4,840,854,000

1 General Fund--Federal Appropriation . . . . . ((~~\$22,078,000~~))  
2 \$22,327,000  
3 TOTAL APPROPRIATION . . . . . ((~~\$10,481,715,000~~))  
4 \$10,104,414,000

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

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

10 (b) For the 2011-12 and 2012-13 school years, the superintendent  
11 shall allocate general apportionment funding to school districts as  
12 provided in the funding formulas and salary schedules in sections 502  
13 and 503 of this act, excluding (c) of this subsection.

14 (c) From July 1, 2011 to August 31, 2011, the superintendent shall  
15 allocate general apportionment funding to school districts programs as  
16 provided in sections 502 and 504, chapter 564, Laws of 2009, as amended  
17 through sections 1402 and 1403 of this act.

18 (d) The appropriations in this section include federal funds  
19 provided through section 101 of P.L. No. 111-226 (education jobs fund),  
20 which shall be used to support general apportionment program funding.  
21 In distributing general apportionment allocations under this section  
22 for the 2011-12 school year, the superintendent shall include the  
23 additional amount of ((~~\$3,078,000~~)) \$3,327,000 allocated by the United  
24 States department of education on September 16, 2011, provided through  
25 101 of P.L. No. 111-226 (education jobs fund) as part of each  
26 district's general apportionment allocation.

27 (e) The enrollment of any district shall be the annual average  
28 number of full-time equivalent students and part-time students as  
29 provided in RCW 28A.150.350, enrolled on the fourth day of school in  
30 September and on the first school day of each month October through  
31 June, including students who are in attendance pursuant to RCW  
32 28A.335.160 and 28A.225.250 who do not reside within the servicing  
33 school district. Any school district concluding its basic education  
34 program in May must report the enrollment of the last school day held  
35 in May in lieu of a June enrollment.

36 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS  
37 Allocations for certificated instructional staff salaries for the

1 2011-12 and 2012-13 school years are determined using formula-generated  
2 staff units calculated pursuant to this subsection.

3 (a) Certificated instructional staff units, as defined in RCW  
4 28A.150.410, shall be allocated to reflect the minimum class size  
5 allocations, requirements, and school prototypes assumptions as  
6 provided in RCW 28A.150.260. The superintendent shall make allocations  
7 to school districts based on the district's annual average full-time  
8 equivalent student enrollment in each grade.

9 (b) Additional certificated instructional staff units provided in  
10 this subsection (2) that exceed the minimum requirements in RCW  
11 28A.150.260 are enhancements outside the program of basic education,  
12 except as otherwise provided in this section.

13 (c)(i) The superintendent shall base allocations for each level of  
14 prototypical school on the following regular education average class  
15 size of full-time equivalent students per teacher, except as provided  
16 in (c)(ii) of this subsection:

17 General education class size:

18 Grade	RCW 28A.150.260
19 Grades K-3 .....	25.23
20 Grade 4 .....	27.00
21 Grades 5-6 .....	27.00
22 Grades 7-8 .....	28.53
23 Grades 9-12 .....	28.74

24 The superintendent shall base allocations for career and technical  
25 education (CTE) and skill center programs average class size as  
26 provided in RCW 28A.150.260.

27 (ii) For each level of prototypical school at which more than fifty  
28 percent of the students were eligible for free and reduced-price meals  
29 in the prior school year, the superintendent shall allocate funding  
30 based on the following average class size of full-time equivalent  
31 students per teacher:

1	General education class size in high poverty	
2	school:	
3	Grades K-3	24.10
4	Grade 4	27.00
5	Grades 5-6	27.00
6	Grades 7-8	28.53
7	Grades 9-12	28.74

8 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher  
 9 planning period, expressed as a percentage of a teacher work day, is  
 10 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

11 (iv) Laboratory science, advanced placement, and international  
 12 baccalaureate courses are funded at the same class size assumptions as  
 13 general education schools in the same grade; and

14 (d)(i) Funding for teacher librarians, school nurses, social  
 15 workers, school psychologists, and guidance counselors is allocated  
 16 based on the school prototypes as provided in RCW 28A.150.260 and is  
 17 considered certificated instructional staff, except as provided in  
 18 (d)(ii) of this subsection.

19 (ii) Students in approved career and technical education and skill  
 20 center programs generate certificated instructional staff units to  
 21 provide for the services of teacher librarians, school nurses, social  
 22 workers, school psychologists, and guidance counselors at the following  
 23 combined rate per 1000 students:

24 Career and Technical Education

25	students . . . . .	2.02 per 1000 student FTE's
26	Skill Center students . . . . .	2.36 per 1000 student FTE's

27 (3) ADMINISTRATIVE STAFF ALLOCATIONS

28 (a) Allocations for school building-level certificated  
 29 administrative staff salaries for the 2011-12 and 2012-13 school years  
 30 for general education students are determined using the formula-  
 31 generated staff units provided in RCW 28A.150.260, and adjusted based  
 32 on a district's annual average full-time equivalent student enrollment  
 33 in each grade.

34 (b) Students in approved career and technical education and skill  
 35 center programs generate certificated school building-level

1 administrator staff units at per student rates that exceed the general  
2 education rate in (a) of this subsection by the following percentages:

- 3 Career and Technical Education students . . . . . 2.5 percent
- 4 Skill Center students . . . . . 19.75 percent

5 (4) CLASSIFIED STAFF ALLOCATIONS

6 Allocations for classified staff units providing school building-  
7 level and district-wide support services for the 2011-12 and 2012-13  
8 school years are determined using the formula-generated staff units  
9 provided in RCW 28A.150.260, and adjusted based on each district's  
10 annual average full-time equivalent student enrollment in each grade.

11 (5) CENTRAL OFFICE ALLOCATIONS

12 In addition to classified and administrative staff units allocated  
13 in subsections (3) and (4) of this section, classified and  
14 administrative staff units are provided for the 2011-12 and 2012-13  
15 school year for the central office administrative costs of operating a  
16 school district, at the following rates:

17 (a) The total central office staff units provided in this  
18 subsection (5) are calculated by first multiplying the total number of  
19 eligible certificated instructional, certificated administrative, and  
20 classified staff units providing school-based or district-wide support  
21 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

22 (b) Of the central office staff units calculated in (a) of this  
23 subsection, 74.53 percent are allocated as classified staff units, as  
24 generated in subsection (4) of this section, and 25.47 percent shall be  
25 allocated as administrative staff units, as generated in subsection (3)  
26 of this section.

27 (c) Staff units generated as enhancements outside the program of  
28 basic education to the minimum requirements of RCW 28A.150.260, and  
29 staff units generated by skill center and career-technical students,  
30 are excluded from the total central office staff units calculation in  
31 (a) of this subsection.

32 (d) For students in approved career-technical and skill center  
33 programs, central office classified units are allocated at the same  
34 staff unit per student rate as those generated for general education  
35 students of the same grade in this subsection (5), and central office  
36 administrative staff units are allocated at staff unit per student  
37 rates that exceed the general education rate established for students  
38



1 in the same grade in this subsection (5) by 3.69 percent for career and  
2 technical education students, and 21.92 percent for skill center  
3 students.

4 (6) FRINGE BENEFIT ALLOCATIONS

5 Fringe benefit allocations shall be calculated at a rate of 16.33  
6 percent in the 2011-12 school year and (~~16.33~~) 16.34 percent in the  
7 2012-13 school year for certificated salary allocations provided under  
8 subsections (2), (3), and (5) of this section, and a rate of 18.73  
9 percent in the 2011-12 school year and 18.73 percent in the 2012-13  
10 school year for classified salary allocations provided under  
11 subsections (4) and (5) of this section.

12 (7) INSURANCE BENEFIT ALLOCATIONS  
13

14 Insurance benefit allocations shall be calculated at the  
15 maintenance rate specified in section 504 of this act, based on the  
16 number of benefit units determined as follows:

17 (a) The number of certificated staff units determined in  
18 subsections (2), (3), and (5) of this section; and

19 (b) The number of classified staff units determined in subsections  
20 (4) and (5) of this section multiplied by 1.152. This factor is  
21 intended to adjust allocations so that, for the purposes of  
22 distributing insurance benefits, full-time equivalent classified  
23 employees may be calculated on the basis of 1440 hours of work per  
24 year, with no individual employee counted as more than one full-time  
25 equivalent.

26 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

27 Funding is allocated per annual average full-time equivalent  
28 student for the materials, supplies, and operating costs (MSOC)  
29 incurred by school districts, consistent with the requirements of RCW  
30 28A.150.260.

31 (a) MSOC funding for general education students are allocated at  
32 the following per student rates:

33 MSOCRATES/STUDENTFTE  
34

1	MSOC Component	2011-12	2012-13
2		SCHOOL YEAR	SCHOOL YEAR
3			
4	Technology	\$57.42	<del>(\$58.17)</del> <u>\$58.28</u>
5	Utilities and Insurance	\$156.03	<del>(\$158.05)</del> <u>\$158.37</u>
6	Curriculum and Textbooks	\$61.65	<del>(\$62.45)</del> <u>\$62.58</u>
7	Other Supplies and Library Materials	\$130.89	<del>(\$132.59)</del> <u>\$132.85</u>
8	Instructional Professional Development for Certificated		
9	and Classified Staff	\$9.53	<del>(\$9.66)</del> <u>\$9.68</u>
10	Facilities Maintenance	\$77.30	<del>(\$78.30)</del> <u>\$78.46</u>
11	Security and Central Office	\$53.55	<del>(\$54.25)</del> <u>\$54.35</u>
12	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	<del>(\$553.47)</del> <u>\$554.57</u>

13 (b) Students in approved skill center programs generate per student  
14 FTE MSOC allocations which equal the rate for general education  
15 students calculated in (a) of this subsection, multiplied by a factor  
16 of 2.171.

17 (c) Students in approved exploratory and preparatory career and  
18 technical education programs generate a per student MSOC allocation  
19 that is equal to the rate for general education students calculated in  
20 (a) of this subsection, multiplied by a factor of 2.442.

21 (d) Students in laboratory science courses generate per student FTE  
22 MSOC allocations which equal the per student FTE rate for general  
23 education students established in (a) of this subsection.

24 (9) SUBSTITUTE TEACHER ALLOCATIONS

25 For the 2011-12 and 2012-13 school years, funding for substitute  
26 costs for classroom teachers is based on four (4) funded substitute  
27 days per classroom teacher unit generated under subsection (2) of this  
28 section, at a daily substitute rate of \$151.86.

29 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

30 (a) Amounts provided in this section are adjusted to reflect  
31 provisions of House Bill No. 2065 (allocation of funding for funding  
32 for students enrolled in alternative learning experiences).

33 (b) The superintendent of public instruction shall require all  
34 districts receiving general apportionment funding for alternative  
35 learning experience (ALE) programs as defined in WAC 392-121-182 to  
36 provide separate financial accounting of expenditures for the ALE

1 programs offered in district or with a provider, including but not  
2 limited to private companies and multidistrict cooperatives, as well as  
3 accurate, monthly headcount and FTE enrollment claimed for basic  
4 education, including separate counts of resident and nonresident  
5 students.

6 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

7 Funding in this section is sufficient to fund voluntary full day  
8 kindergarten programs in qualifying high poverty schools, pursuant to  
9 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls  
10 for the voluntary full-day program in a qualifying school shall count  
11 as one-half of one full-time equivalent student for purpose of making  
12 allocations under this section. Funding in this section provides full-  
13 day kindergarten programs for 21 percent of kindergarten enrollment in  
14 the 2011-12 school year, and 22 percent in the 2012-13 school year.  
15 Funding priority shall be given to schools with the highest poverty  
16 levels, as measured by prior year free and reduced price lunch  
17 eligibility rates in each school. Funding in this section is  
18 sufficient to fund voluntary full day kindergarten programs for July  
19 and August of the 2010-11 school year.

20 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND  
21 NECESSARY PLANTS

22 For small school districts and remote and necessary school plants  
23 within any district which have been judged to be remote and necessary  
24 by the superintendent of public instruction, additional staff units are  
25 provided to ensure a minimum level of staffing support. Additional  
26 administrative and certificated instructional staff units provided to  
27 districts in this subsection shall be reduced by the general education  
28 staff units, excluding career and technical education and skills center  
29 enhancement units, otherwise provided in subsections (2) through (5) of  
30 this section on a per district basis.

31 (a) For districts enrolling not more than twenty-five average  
32 annual full-time equivalent students in grades K-8, and for small  
33 school plants within any school district which have been judged to be  
34 remote and necessary by the superintendent of public instruction and  
35 enroll not more than twenty-five average annual full-time equivalent  
36 students in grades K-8:

37 (i) For those enrolling no students in grades 7 and 8, 1.76  
38 certificated instructional staff units and 0.24 certificated

1 administrative staff units for enrollment of not more than five  
2 students, plus one-twentieth of a certificated instructional staff unit  
3 for each additional student enrolled; and

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

9 (b) For specified enrollments in districts enrolling more than  
10 twenty-five but not more than one hundred average annual full-time  
11 equivalent students in grades K-8, and for small school plants within  
12 any school district which enroll more than twenty-five average annual  
13 full-time equivalent students in grades K-8 and have been judged to be  
14 remote and necessary by the superintendent of public instruction:

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

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

21 (c) For districts operating no more than two high schools with  
22 enrollments of less than three hundred average annual full-time  
23 equivalent students, for enrollment in grades 9-12 in each such school,  
24 other than alternative schools, except as noted in this subsection:

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

30 (ii) For all other small high schools under this subsection, nine  
31 certificated instructional staff units and one-half of a certificated  
32 administrative staff unit for the first sixty average annual full-time  
33 equivalent students, and additional staff units based on a ratio of  
34 0.8732 certificated instructional staff units and 0.1268 certificated  
35 administrative staff units per each additional forty-three and one-half  
36 average annual full-time equivalent students;

37 (iii) Districts receiving staff units under this subsection shall  
38 add students enrolled in a district alternative high school and any

1 grades nine through twelve alternative learning experience programs  
2 with the small high school enrollment for calculations under this  
3 subsection;

4 (d) For each nonhigh school district having an enrollment of more  
5 than seventy annual average full-time equivalent students and less than  
6 one hundred eighty students, operating a grades K-8 program or a grades  
7 1-8 program, an additional one-half of a certificated instructional  
8 staff unit;

9 (e) For each nonhigh school district having an enrollment of more  
10 than fifty annual average full-time equivalent students and less than  
11 one hundred eighty students, operating a grades K-6 program or a grades  
12 1-6 program, an additional one-half of a certificated instructional  
13 staff unit;

14 (f)(i) For enrollments generating certificated staff unit  
15 allocations under (a) through (e) of this subsection, one classified  
16 staff unit for each 2.94 certificated staff units allocated under such  
17 subsections;

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

22 (g) School districts receiving additional staff units to support  
23 small student enrollments and remote and necessary plants under  
24 subsection (12) of this section shall generate additional MSOC  
25 allocations consistent with the nonemployee related costs (NERC)  
26 allocation formula in place for the 2010-11 school year as provided  
27 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental  
28 budget), adjusted annually for inflation.

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

1 (14) The superintendent may distribute funding for the following  
2 programs outside the basic education formula during fiscal years 2012  
3 and 2013 as follows:

4 (a) \$589,000 of the general fund--state appropriation for fiscal  
5 year 2012 and (~~(\$597,000))~~ \$598,000 of the general fund--state  
6 appropriation for fiscal year 2013 are provided solely for fire  
7 protection for school districts located in a fire protection district  
8 as now or hereafter established pursuant to chapter 52.04 RCW.

9 (b) \$436,000 of the general fund--state appropriation for fiscal  
10 year 2012 and \$436,000 of the general fund--state appropriation for  
11 fiscal year 2013 are provided solely for programs providing skills  
12 training for secondary students who are enrolled in extended day  
13 school-to-work programs, as approved by the superintendent of public  
14 instruction. The funds shall be allocated at a rate not to exceed \$500  
15 per full-time equivalent student enrolled in those programs.

16 (c) Funding in this section is sufficient to fund adjustments to  
17 school districts' allocations resulting from the implementation of the  
18 prototypical school funding formula, pursuant to chapter 236, Laws of  
19 2010 (K-12 education funding). The funding in this section is intended  
20 to hold school districts harmless in total for funding changes  
21 resulting from conversion to the prototypical school formula in the  
22 general apportionment program, the learning assistance program, the  
23 transitional bilingual program, and the highly capable program, after  
24 adjustment for changes in enrollment and other caseload adjustments.

25 (15) \$208,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$211,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for school district emergencies as  
28 certified by the superintendent of public instruction. At the close of  
29 the fiscal year the superintendent of public instruction shall report  
30 to the office of financial management and the appropriate fiscal  
31 committees of the legislature on the allocations provided to districts  
32 and the nature of the emergency.

33 (16) Funding in this section is sufficient to fund a maximum of  
34 1.6 FTE enrollment for skills center students pursuant to chapter 463,  
35 Laws of 2007.

36 (17) Beginning in the 2011-12 school year, students participating  
37 in running start programs may be funded up to a combined maximum  
38 enrollment of 1.2 FTE including school district and institution of

1 higher education enrollment. In calculating the combined 1.2 FTE, the  
2 office of the superintendent of public instruction may (~~average the~~  
3 ~~participating student's September through June enrollment to account~~  
4 ~~for differences in the start and end dates for courses provided by the~~  
5 ~~high school and higher education institution~~) utilize the average of  
6 the student's running start FTE enrollment on nine count dates from the  
7 institution of higher education and the average of the student's high  
8 school FTE enrollment from September through June, adjusting for any  
9 differences in start and end dates provided by the institution of  
10 higher education and the high school, provided the final per-student  
11 FTE does not exceed the 1.2 maximum. Additionally, the office of the  
12 superintendent of public instruction, in consultation with the state  
13 board for community and technical colleges, the higher education  
14 coordinating board, and the education data center, shall annually track  
15 and report to the fiscal committees of the legislature on the combined  
16 FTE experience of students participating in the running start program,  
17 including course load analyses at both the high school and community  
18 and technical college system.

19 (18) If two or more school districts consolidate and each district  
20 was receiving additional basic education formula staff units pursuant  
21 to subsection (12) of this section, the following apply:

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

26 (b) For the fourth through eighth school years following  
27 consolidation, the difference between the basic education formula staff  
28 units received by the districts for the school year prior to  
29 consolidation and the basic education formula staff units after  
30 consolidation pursuant to subsection (12) of this section shall be  
31 reduced in increments of twenty percent per year.

32 (19)(a) Indirect cost charges by a school district to approved  
33 career and technical education middle and secondary programs shall not  
34 exceed 15 percent of the combined basic education and career and  
35 technical education program enhancement allocations of state funds.  
36 Middle and secondary career and technical education programs are  
37 considered separate programs for funding and financial reporting  
38 purposes under this section.

1 (b) Career and technical education program full-time equivalent  
2 enrollment shall be reported on the same monthly basis as the  
3 enrollment for students eligible for basic support, and payments shall  
4 be adjusted for reported career and technical education program  
5 enrollments on the same monthly basis as those adjustments for  
6 enrollment for students eligible for basic support.

7 (20) \$10,000,000 of the general fund--state appropriation for  
8 fiscal year 2013 is provided solely for the superintendent for  
9 financial contingency funds for eligible school districts as a result  
10 of delaying a portion of the June apportionment payment. The financial  
11 contingency funds shall be allocated to eligible districts in the form  
12 of an advance of their respective general apportionment allocations.

13 (a) Eligibility:

14 The superintendent shall determine a district's eligibility for  
15 receipt of financial contingency funds, and districts shall be eligible  
16 only if the following conditions are met:

17 (i) A petition is submitted by the school district as provided in  
18 RCW 28A.510.250 and WAC 392-121-436; and

19 (ii) The district's projected general fund balance for the month of  
20 March is less than one-half of one percent of its budgeted general fund  
21 expenditures as submitted to the superintendent for the 2012-13 school  
22 year on the F-195 report.

23 (b) Calculations:

24 The superintendent shall calculate the financial contingency  
25 allocation to each district as the lesser of:

26 (i) The amount set forth in the school district's resolution;

27 (ii) An amount not to exceed ten percent of the total amount to  
28 become due and apportionable to the district from September 1st through  
29 August 31st of the current school year;

30 (iii) The highest negative monthly cash and investment balance of  
31 the general fund between the date of the resolution and May 31st of the  
32 school year based on projections approved by the county treasurer and  
33 the educational service district.

34 (c) Repayment:

35 For any amount allocated to a district in state fiscal year 2013,  
36 the superintendent shall deduct in state fiscal year 2014 from the  
37 district's general apportionment the amount of the emergency  
38 contingency allocation and any earnings by the school district on the



1 investment of a temporary cash surplus due to the emergency contingency  
2 allocation. Repayments or advances will be accomplished by a reduction  
3 in the school district's apportionment payments on or before June 30th  
4 of the school year following the distribution of the emergency  
5 contingency allocation. All disbursements, repayments, and outstanding  
6 allocations to be repaid of the emergency contingency pool shall be  
7 reported to the office of financial management and the appropriate  
8 fiscal committees of the legislature on July 1st and January 1st of  
9 each year.

10 NEW SECTION. Sec. 503. A new section is added to 2011 1st sp.s.  
11 c 50 (uncodified) to read as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR JUNE 2013 GENERAL**  
13 **APPORTIONMENT**

14 General Fund--State Appropriation (FY 2013) . . . . . \$340,000,000

15 The amount in this section is subject to the following conditions  
16 and limitations:

17 (1) The purpose of this contingent appropriation is to ensure a  
18 responsible ending fund balance while avoiding delay in providing  
19 funding to school districts by making the June 2013 general  
20 apportionment payment to school districts if the June 2013 revenue  
21 forecast indicates that sufficient revenues are available to support  
22 the expenditure.

23 (2) The amount in this section is provided solely for the June 2013  
24 general apportionment payment to school districts that would otherwise  
25 be paid in that month but for the delay to July 2013 required by House  
26 Bill No. 2129 (apportionment payment).

27 (3) This section takes effect June 25, 2013, only if the June 2013  
28 forecast adopted by the economic and revenue forecast council pursuant  
29 to RCW 82.33.030 projects that state general fund revenues for the  
30 2011-2013 fiscal biennium will exceed \$30,817,314,000.

31 (4) The economic and revenue forecast council must provide notice  
32 of the contingency in subsection (3) of this section to the chief clerk  
33 of the house of representatives, the secretary of the senate, the  
34 statute law committee, the superintendent of public instruction, the  
35 governor, and others as deemed appropriate by the council.

1       **Sec. 504.** 2011 2nd sp.s. c 9 s 503 (uncodified) is amended to read  
2 as follows:

3       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**  
4       **COMPENSATION**

5       (1) The following calculations determine the salaries used in the  
6 state allocations for certificated instructional, certificated  
7 administrative, and classified staff units as provided in RCW  
8 28A.150.280 and under section 503 of this act:

9       (a) Salary allocations for certificated instructional staff units  
10 are determined for each district by multiplying the district's  
11 certificated instructional total base salary shown on LEAP Document 2  
12 by the district's average staff mix factor for certificated  
13 instructional staff in that school year, computed using LEAP document  
14 1; and

15       (b) Salary allocations for certificated administrative staff units  
16 and classified staff units for each district are determined based on  
17 the district's certificated administrative and classified salary  
18 allocation amounts shown on LEAP Document 2.

19       (2) For the purposes of this section:

20       (a) "LEAP Document 1" means the staff mix factors for certificated  
21 instructional staff according to education and years of experience, as  
22 developed by the legislative evaluation and accountability program  
23 committee on May 23, 2011, at 16:10 hours; and

24       (b) "LEAP Document 2" means the school year salary allocations for  
25 certificated administrative staff and classified staff and derived and  
26 total base salaries for certificated instructional staff as developed  
27 by the legislative evaluation and accountability program committee on  
28 May 23, 2011, at 16:10 hours.

29       (3) Incremental fringe benefit factors are applied to salary  
30 adjustments at a rate of 15.69 percent for school year 2011-12 and  
31 (~~(15.69)~~) 15.70 percent for school year 2012-13 for certificated  
32 instructional and certificated administrative staff and 15.23 percent  
33 for school year 2011-12 and 15.23 percent for the 2012-13 school year  
34 for classified staff.

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

1 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2011-12

2 \*\*\*Education Experience\*\*\*

3	4										
5	6										
7	8										
9	10	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90	
11	12	OR									
13	14	Ph.D.									
15	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989	
16	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452	
17	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912	
18	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377	
19	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857	
20	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339	
21	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797	
22	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768	
23	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254	
24	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785	
25	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356	
26	11				45,883	49,169	51,558	49,295	52,581	54,969	
27	12				47,332	50,777	53,238	50,850	54,188	56,650	
28	13					52,425	54,959	52,460	55,836	58,370	
29	14					54,081	56,745	54,117	57,600	60,157	
30	15					55,488	58,221	55,523	59,098	61,721	
31	16 or more					56,597	59,385	56,634	60,279	62,955	

32 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13

33 \*\*\*Education Experience\*\*\*

34	35										
36	37										
38	39										
40	41	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90	
42	43	OR									
44	45	Ph.D.									
46	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989	
47	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452	
48	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912	

1	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
2	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
3	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
4	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
5	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
6	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
7	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
8	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
9	11				45,883	49,169	51,558	49,295	52,581	54,969
10	12				47,332	50,777	53,238	50,850	54,188	56,650
11	13					52,425	54,959	52,460	55,836	58,370
12	14					54,081	56,745	54,117	57,600	60,157
13	15					55,488	58,221	55,523	59,098	61,721
14	16 or more					56,597	59,385	56,634	60,279	62,955

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

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

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

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

25 (5) For the purposes of this section:

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

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

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

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

31 (e) "Credits" means college quarter hour credits and equivalent  
32 in-service credits computed in accordance with RCW 28A.415.020 and  
33 28A.415.023.

34 (6) No more than ninety college quarter-hour credits received by  
35 any employee after the baccalaureate degree may be used to determine  
36 compensation allocations under the state salary allocation schedule and

1 LEAP documents referenced in this part V, or any replacement schedules  
2 and documents, unless:

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

6 (7) The salary allocation schedules established in this section are  
7 for allocation purposes only except as provided in RCW 28A.400.200(2).

8 **Sec. 505.** 2011 2nd sp.s. c 9 s 504 (uncodified) is amended to read  
9 as follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**  
11 **COMPENSATION ADJUSTMENTS**

12 General Fund--Federal Appropriation . . . . . \$2,000

13 The appropriation in this section is 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 504(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 504(2)(b) of this act.

28 (c) Additional salary adjustments to certain districts as necessary  
29 to fund the per full-time-equivalent salary allocations for classified  
30 staff as listed for each district in LEAP Document 2, defined in  
31 section 504(2)(b) of this act.

32 (d) The appropriations in this subsection (1) include associated  
33 incremental fringe benefit allocations at 15.69 percent for the 2011-12  
34 school year and (~~15.69~~) 15.70 percent for the 2012-13 school year for  
35 certificated instructional and certificated administrative staff and  
36 15.23 percent for the 2011-12 school year and 15.23 percent for the  
37 2012-13 school year for classified staff.

1 (e) The appropriations in this section include the increased or  
2 decreased portion of salaries and incremental fringe benefits for all  
3 relevant state-funded school programs in part V of this act. Changes  
4 for general apportionment (basic education) are based on the salary  
5 allocation schedules and methodology in sections 503 and 504 of this  
6 act. Changes for special education result from changes in each  
7 district's basic education allocation per student. Changes for  
8 educational service districts and institutional education programs are  
9 determined by the superintendent of public instruction using the  
10 methodology for general apportionment salaries and benefits in sections  
11 503 and 504 of this act.

12 (f) The appropriations in this section include no salary  
13 adjustments for substitute teachers.

14 (2) The maintenance rate for insurance benefit allocations is  
15 \$768.00 per month for the 2011-12 and 2012-13 school years. The  
16 appropriations in this section reflect the incremental change in cost  
17 of allocating rates of \$768.00 per month for the 2011-12 school year  
18 and \$768.00 per month for the 2012-13 school year.

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

21 **Sec. 506.** 2011 2nd sp.s. c 9 s 505 (uncodified) is amended to read  
22 as follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

24 General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$322,033,000</del> ))
	<u>\$322,243,000</u>
26 General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$273,380,000</del> ))
	<u>\$273,642,000</u>
28 TOTAL APPROPRIATION . . . . .	(( <del>\$595,413,000</del> ))
	<u>\$595,885,000</u>

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

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

35 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
36 shall allocate funding to school district programs for the  
37 transportation of students as provided in RCW 28A.160.192.

1 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
2 allocate funding to school districts programs for the transportation of  
3 students as provided in section 505, chapter 564, Laws of 2009, as  
4 amended through section 1404 of this act.

5 (3) Any amounts appropriated for maintenance level funding for  
6 pupil transportation that exceed actual maintenance level expenditures  
7 as calculated under the funding formula that takes effect September 1,  
8 2011, shall be distributed to districts according to RCW  
9 28A.160.192(2)(b).

10 (4) A maximum of \$892,000 of this fiscal year 2012 appropriation  
11 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be  
12 expended for regional transportation coordinators and related  
13 activities. The transportation coordinators shall ensure that data  
14 submitted by school districts for state transportation funding shall,  
15 to the greatest extent practical, reflect the actual transportation  
16 activity of each district.

17 (5) The office of the superintendent of public instruction shall  
18 provide reimbursement funding to a school district for school bus  
19 purchases only after the superintendent of public instruction  
20 determines that the school bus was purchased from the list established  
21 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process  
22 based on the lowest price quote based on similar bus categories to  
23 those used to establish the list pursuant to RCW 28A.160.195.

24 (6) The superintendent of public instruction shall base  
25 depreciation payments for school district buses on the pre-sales tax  
26 five-year average of lowest bids in the appropriate category of bus.  
27 In the final year on the depreciation schedule, the depreciation  
28 payment shall be based on the lowest bid in the appropriate bus  
29 category for that school year.

30 (7) Funding levels in this section reflect waivers granted by the  
31 state board of education for four-day school weeks as allowed under RCW  
32 28A.305.141.

33 (8) Starting with the 2012-13 school year, the office of the  
34 superintendent of public instruction shall disburse payments for bus  
35 depreciation in August.

36 **Sec. 507.** 2011 2nd sp.s. c 9 s 507 (uncodified) is amended to read  
37 as follows:

1	<b>FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION</b>	
2	<b>PROGRAMS</b>	
3	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$653,904,000</del> ))
4		<u>\$648,369,000</u>
5	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$694,237,000</del> ))
6		<u>\$679,832,000</u>
7	General Fund--Federal Appropriation . . . . .	(( <del>\$486,936,000</del> ))
8		<u>\$486,922,000</u>
9	Education Legacy Trust Account--State Appropriation . . . . .	\$756,000
10	TOTAL APPROPRIATION . . . . .	(( <del>\$1,835,833,000</del> ))
11		<u>\$1,815,879,000</u>

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

14 (1) Funding for special education programs is provided on an excess  
15 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
16 that special education students as a class receive their full share of  
17 the general apportionment allocation accruing through sections 502 and  
18 504 of this act. To the extent a school district cannot provide an  
19 appropriate education for special education students under chapter  
20 28A.155 RCW through the general apportionment allocation, it shall  
21 provide services through the special education excess cost allocation  
22 funded in this section.

23 (2)(a) The superintendent of public instruction shall ensure that:  
24 (i) Special education students are basic education students first;  
25 (ii) As a class, special education students are entitled to the  
26 full basic education allocation; and  
27 (iii) Special education students are basic education students for  
28 the entire school day.

29 (b) The superintendent of public instruction shall continue to  
30 implement the full cost method of excess cost accounting, as designed  
31 by the committee and recommended by the superintendent, pursuant to  
32 section 501(1)(k), chapter 372, Laws of 2006.

33 (c) Beginning with the 2010-11 school year award cycle, the office  
34 of the superintendent of public instruction shall make award  
35 determinations for state safety net funding in August of each school  
36 year. Determinations on school district eligibility for state safety  
37 net awards shall be based on analysis of actual expenditure data from  
38 the current school year.



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

4 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent  
5 shall allocate funding to school district programs for special  
6 education students as provided in RCW 28A.150.390.

7 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
8 allocate funding to school district programs for special education  
9 students as provided in section 507, chapter 564, Laws of 2009, as  
10 amended through section 1406 of this act.

11 (5) The following applies throughout this section: The definitions  
12 for enrollment and enrollment percent are as specified in RCW  
13 28A.150.390(3). Each district's general fund--state funded special  
14 education enrollment shall be the lesser of the district's actual  
15 enrollment percent or 12.7 percent.

16 (6) At the request of any interdistrict cooperative of at least 15  
17 districts in which all excess cost services for special education  
18 students of the districts are provided by the cooperative, the maximum  
19 enrollment percent shall be calculated in accordance with RCW  
20 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
21 rather than individual district units. For purposes of this  
22 subsection, the average basic education allocation per full-time  
23 equivalent student shall be calculated in the aggregate rather than  
24 individual district units.

25 (7) \$8,914,000 of the general fund--state appropriation for fiscal  
26 year 2012, \$34,200,000 of the general fund--state appropriation for  
27 fiscal year 2013, and \$29,574,000 of the general fund--federal  
28 appropriation are provided solely for safety net awards for districts  
29 with demonstrated needs for special education funding beyond the  
30 amounts provided in subsection (4) of this section. If the federal  
31 safety net awards based on the federal eligibility threshold exceed the  
32 federal appropriation in this subsection (7) in any fiscal year, the  
33 superintendent shall expend all available federal discretionary funds  
34 necessary to meet this need. At the conclusion of each school year,  
35 the superintendent shall recover safety net funds that were distributed  
36 prospectively but for which districts were not subsequently eligible.

37 (a) For the 2011-12 and 2012-13 school years, safety net funds

1 shall be awarded by the state safety net oversight committee as  
2 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

3 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
4 operate the safety net oversight committee and shall award safety net  
5 funds as provided in section 507, chapter 564, Laws of 2009, as amended  
6 through section 1406 of this act.

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

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

18 (10) A school district may carry over from one year to the next  
19 year up to 10 percent of the general fund--state funds allocated under  
20 this program; however, carryover funds shall be expended in the special  
21 education program.

22 (11) \$251,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$251,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for two additional full-time  
25 equivalent staff to support the work of the safety net committee and to  
26 provide training and support to districts applying for safety net  
27 awards.

28 (12) \$50,000 of the general fund--state appropriation for fiscal  
29 year 2012, \$50,000 of the general fund--state appropriation for fiscal  
30 year 2013, and \$100,000 of the general fund--federal appropriation  
31 shall be expended to support a special education ombudsman program  
32 within the office of superintendent of public instruction.

33 **Sec. 508.** 2011 2nd sp.s. c 9 s 508 (uncodified) is amended to read  
34 as follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**  
36 **DISTRICTS**

37 General Fund--State Appropriation (FY 2012) . . . . . ((\$7,889,000))

1		<u>\$7,894,000</u>
2	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$7,904,000</del> ))
3		<u>\$7,912,000</u>
4	TOTAL APPROPRIATION . . . . .	(( <del>\$15,793,000</del> ))
5		<u>\$15,806,000</u>

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

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

11 (2) Funding within this section is provided for regional  
12 professional development related to mathematics and science curriculum  
13 and instructional strategies. Funding shall be distributed among the  
14 educational service districts in the same proportion as distributions  
15 in the 2007-2009 biennium. Each educational service district shall use  
16 this funding solely for salary and benefits for a certificated  
17 instructional staff with expertise in the appropriate subject matter  
18 and in professional development delivery, and for travel, materials,  
19 and other expenditures related to providing regional professional  
20 development support.

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

29 **Sec. 509.** 2011 2nd sp.s. c 9 s 509 (uncodified) is amended to read  
30 as follows:

31 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**  
32 **ASSISTANCE**

33	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$300,761,000</del> ))
34		<u>\$300,768,000</u>
35	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$299,276,000</del> ))
36		<u>\$298,166,000</u>
37	<u>General Fund--Federal Appropriation . . . . .</u>	<u>\$4,400,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$600,037,000~~))  
2 \$603,334,000

3 The appropriations in this section are subject to the following  
4 conditions and limitations: For purposes of RCW 84.52.0531, the  
5 increase per full-time equivalent student is 3 percent from the 2010-11  
6 school year to the 2011-12 school year and 5 percent from the 2011-12  
7 school year to the 2012-13 school year.

8 **Sec. 510.** 2011 2nd sp.s. c 9 s 510 (uncodified) is amended to read  
9 as follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**  
11 **EDUCATION PROGRAMS**

12 General Fund--State Appropriation (FY 2012) . . . . . ((~~\$17,507,000~~))  
13 \$16,694,000  
14 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$16,969,000~~))  
15 \$15,867,000  
16 TOTAL APPROPRIATION . . . . . ((~~\$34,476,000~~))  
17 \$32,561,000

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) ((~~\$669,000~~)) \$586,000 of the general fund--state appropriation  
36 for fiscal year 2012 and ((~~\$669,000~~)) \$549,000 of the general fund--  
37 state appropriation for fiscal year 2013 are provided solely to

1 maintain at least one certificated instructional staff and related  
2 support services at an institution whenever the K-12 enrollment is not  
3 sufficient to support one full-time equivalent certificated  
4 instructional staff to furnish the educational program. The following  
5 types of institutions are included: Residential programs under the  
6 department of social and health services for developmentally disabled  
7 juveniles, programs for juveniles under the department of corrections,  
8 programs for juveniles under the juvenile rehabilitation  
9 administration, and programs for juveniles operated by city and county  
10 jails.

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

13 **Sec. 511.** 2011 2nd sp.s. c 9 s 511 (uncodified) is amended to read  
14 as follows:

15 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

16	General Fund--State Appropriation (FY 2012) . . . . .	(\$8,759,000)
17		<u>\$8,745,000</u>
18	General Fund--State Appropriation (FY 2013) . . . . .	(\$8,842,000)
19		<u>\$8,788,000</u>
20	TOTAL APPROPRIATION . . . . .	(\$17,601,000)
21		<u>\$17,533,000</u>

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

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

27 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
28 shall allocate funding to school district programs for highly capable  
29 students as provided in RCW 28A.150.260(10)(c). In calculating the  
30 allocations, the superintendent shall assume the following: (i)  
31 Additional instruction of 2.1590 hours per week per funded highly  
32 capable program student; (ii) fifteen highly capable program students  
33 per teacher; (iii) 36 instructional weeks per year; (iv) 900  
34 instructional hours per teacher; and (v) the district's average staff  
35 mix and compensation rates as provided in sections 503 and 504 of this  
36 act.

1 (b) From July 1, 2011, to August 31, 2011, the superintendent shall  
2 allocate funding to school districts programs for highly capable  
3 students as provided in section 511, chapter 564, Laws of 2009, as  
4 amended through section 1409 of this act.

5 (3) \$85,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$85,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for the centrum program at Fort  
8 Worden state park.

9 **Sec. 512.** 2011 2nd sp.s. c 9 s 513 (uncodified) is amended to read  
10 as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**  
12 **PROGRAMS**

13	General Fund--State Appropriation (FY 2012) . . . . .	\$58,078,000
14	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$98,309,000)</del>
15		<u>\$102,955,000</u>
16	General Fund--Federal Appropriation . . . . .	<del>(\$219,161,000)</del>
17		<u>\$219,147,000</u>
18	General Fund--Private/Local Appropriation . . . . .	\$4,000,000
19	Education Legacy Trust Account--State Appropriation . .	<del>(\$1,598,000)</del>
20		<u>\$1,596,000</u>
21	TOTAL APPROPRIATION . . . . .	<del>(\$381,146,000)</del>
22		<u>\$385,776,000</u>

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

25 (1) \$40,822,000 of the general fund--state appropriation for fiscal  
26 year 2012, ~~(\$41,613,000)~~ \$41,614,000 of the general fund--state  
27 appropriation for fiscal year 2013, \$1,350,000 of the education legacy  
28 trust account--state appropriation, and \$15,868,000 of the general  
29 fund--federal appropriation are provided solely for development and  
30 implementation of the Washington state assessment system, including:  
31 (a) Development and implementation of retake assessments for high  
32 school students who are not successful in one or more content areas and  
33 (b) development and implementation of alternative assessments or  
34 appeals procedures to implement the certificate of academic  
35 achievement. The superintendent of public instruction shall report  
36 quarterly on the progress on development and implementation of  
37 alternative assessments or appeals procedures. Within these amounts,

1 the superintendent of public instruction shall contract for the early  
2 return of 10th grade student assessment results, on or around June 10th  
3 of each year. State funding shall be limited to one collection of  
4 evidence payment per student, per content-area assessment.

5 (2) \$356,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$356,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for the Washington state  
8 leadership and assistance for science education reform (LASER) regional  
9 partnership activities coordinated at the Pacific science center,  
10 including instructional material purchases, teacher and principal  
11 professional development, and school and community engagement events.

12 (3) \$980,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$980,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for improving technology  
15 infrastructure, monitoring and reporting on school district technology  
16 development, promoting standards for school district technology,  
17 promoting statewide coordination and planning for technology  
18 development, and providing regional educational technology support  
19 centers, including state support activities, under chapter 28A.650 RCW.

20 (4) \$3,852,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$2,624,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely for continued implementation of  
23 chapter 235, Laws of 2010 (education reform) including development of  
24 new performance-based evaluation systems for certificated educators.

25 (5)(a) (~~(\$40,681,000)~~) \$39,926,000 of the general fund--state  
26 appropriation for fiscal year 2013 is provided solely for the following  
27 bonuses for teachers who hold valid, unexpired certification from the  
28 national board for professional teaching standards and who are teaching  
29 in a Washington public school, subject to the following conditions and  
30 limitations:

31 (i) For national board certified teachers, a bonus of \$5,090 per  
32 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation  
33 in each school year in which Initiative 732 cost of living adjustments  
34 are provided;

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

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

5 (iii) The superintendent of public instruction shall adopt rules to  
6 ensure that national board certified teachers meet the qualifications  
7 for bonuses under (a)(ii) of this subsection for less than one full  
8 school year receive bonuses in a pro-rated manner. Beginning in the  
9 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection  
10 will be paid in July of each school year. Bonuses in (a)(i) and (ii)  
11 of this subsection shall be reduced by a factor of 40 percent for first  
12 year NBPTS certified teachers, to reflect the portion of the  
13 instructional school year they are certified; and

14 (iv) During the 2011-12 and 2012-13 school years, and within  
15 available funds, certificated instructional staff who have met the  
16 eligibility requirements and have applied for certification from the  
17 national board for professional teaching standards may receive a  
18 conditional loan of two thousand dollars or the amount set by the  
19 office of the superintendent of public instruction to contribute toward  
20 the current assessment fee, not including the initial up-front  
21 candidacy payment. The fee shall be an advance on the first annual  
22 bonus under RCW 28A.405.415. The conditional loan is provided in  
23 addition to compensation received under a district's salary schedule  
24 and shall not be included in calculations of a district's average  
25 salary and associated salary limitation under RCW 28A.400.200.  
26 Recipients who fail to receive certification after three years are  
27 required to repay the conditional loan. The office of the  
28 superintendent of public instruction shall adopt rules to define the  
29 terms for initial grant of the assessment fee and repayment, including  
30 applicable fees. To the extent necessary, the superintendent may use  
31 revenues from the repayment of conditional loan scholarships to ensure  
32 payment of all national board bonus payments required by this section  
33 in each school year.

34 (6) \$477,000 of the general fund--state appropriation for fiscal  
35 year 2012 and \$477,000 of the general fund--state appropriation for  
36 fiscal year 2013 are provided solely for the leadership internship  
37 program for superintendents, principals, and program administrators.



1 (7) \$950,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$950,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for the Washington reading corps.  
4 The superintendent shall allocate reading corps members to low-  
5 performing schools and school districts that are implementing  
6 comprehensive, proven, research-based reading programs. Two or more  
7 schools may combine their Washington reading corps programs.

8 (8) \$810,000 of the general fund--state appropriation for fiscal  
9 year 2012 and \$810,000 of the general fund--state appropriation for  
10 fiscal year 2013 are provided solely for the development of a  
11 leadership academy for school principals and administrators. The  
12 superintendent of public instruction shall contract with an independent  
13 organization to design, field test, and implement a state-of-the-art  
14 education leadership academy that will be accessible throughout the  
15 state. Initial development of the content of the academy activities  
16 shall be supported by private funds. Semiannually the independent  
17 organization shall report on amounts committed by foundations and  
18 others to support the development and implementation of this program.  
19 Leadership academy partners shall include the state level organizations  
20 for school administrators and principals, the superintendent of public  
21 instruction, the professional educator standards board, and others as  
22 the independent organization shall identify.

23 (9) \$3,234,000 of the general fund--state appropriation for fiscal  
24 year 2012 and \$3,234,000 of the general fund--state appropriation for  
25 fiscal year 2013 are provided solely for grants to school districts to  
26 provide a continuum of care for children and families to help children  
27 become ready to learn. Grant proposals from school districts shall  
28 contain local plans designed collaboratively with community service  
29 providers. If a continuum of care program exists in the area in which  
30 the school district is located, the local plan shall provide for  
31 coordination with existing programs to the greatest extent possible.

32 (10) \$1,500,000 of the general fund--state appropriation for fiscal  
33 year 2012 and \$1,500,000 of the general fund--state appropriation for  
34 fiscal year 2013 are provided solely for the implementation of chapter  
35 288, Laws of 2011 (actual student success program), including  
36 allocations to the opportunity internship program, the jobs for  
37 America's graduates program, the building bridges program, services

1 provided by a college scholarship organization. Funding shall not be  
2 used in the 2011-2013 fiscal biennium to provide awards for schools and  
3 school districts.

4 (11) \$859,000 of the general fund--state appropriation for fiscal  
5 year 2012, (~~(\$846,000)~~) \$808,000 of the general fund--state  
6 appropriation for fiscal year 2013, and \$248,000 of the education  
7 legacy trust account--state appropriation are for administrative  
8 support of education reform programs.

9 (12) \$2,000,000 of the general fund--state appropriation for fiscal  
10 year 2012 and \$2,000,000 of the general fund--state appropriation for  
11 fiscal year 2013 are provided solely for a statewide information  
12 technology (IT) academy program. This public-private partnership will  
13 provide educational software, as well as IT certification and software  
14 training opportunities for students and staff in public schools.

15 (13) \$977,000 of the general fund--state appropriation for fiscal  
16 year 2012 and (~~(\$977,000)~~) \$1,077,000 of the general fund--state  
17 appropriation for fiscal year 2013 are provided solely for secondary  
18 career and technical education grants pursuant to chapter 170, Laws of  
19 2008. If equally matched by private donations, \$300,000 of the 2012  
20 appropriation and \$300,000 of the 2013 appropriation shall be used to  
21 support FIRST robotics programs. Of the amounts in this subsection,  
22 \$100,000 of the fiscal year 2013 appropriation is provided solely for  
23 the purpose of statewide supervision activities for career and  
24 technical education student leadership organizations.

25 (14) \$125,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$125,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for (a) staff at the office of the  
28 superintendent of public instruction to coordinate and promote efforts  
29 to develop integrated math, science, technology, and engineering  
30 programs in schools and districts across the state; and (b) grants of  
31 \$2,500 to provide twenty middle and high school teachers each year with  
32 professional development training for implementing integrated math,  
33 science, technology, and engineering programs in their schools.

34 (15) \$135,000 of the general fund--state appropriation for fiscal  
35 year 2012 and \$135,000 of the general fund--state appropriation for  
36 fiscal year 2013 are provided solely for science, technology,  
37 engineering and mathematics lighthouse projects, consistent with  
38 chapter 238, Laws of 2010.

1 (16) \$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 a beginning educator support  
 4 program. School districts and/or regional consortia may apply for  
 5 grant funding. The superintendent shall implement this program in 5 to  
 6 15 school districts and/or regional consortia. The program provided by  
 7 a district and/or regional consortia shall include: A paid  
 8 orientation; assignment of a qualified mentor; development of a  
 9 professional growth plan for each beginning teacher aligned with  
 10 professional certification; release time for mentors and new teachers  
 11 to work together; and teacher observation time with accomplished peers.  
 12 \$250,000 may be used to provide statewide professional development  
 13 opportunities for mentors and beginning educators.

14 (17) \$5,767,000 of the general fund--state appropriation for fiscal  
 15 year 2013 is provided solely pursuant to Engrossed Substitute Senate  
 16 Bill No. 5895 (certificated employee evaluations). If the bill is not  
 17 enacted by June 30, 2012, the amount provided in this subsection shall  
 18 lapse.

19 (18) \$200,000 of the general fund--state appropriation for fiscal  
 20 year 2013 is provided solely for the American Academy to provide social  
 21 support and academic intervention to students who have been suspended  
 22 or expelled, are pregnant or parenting teens, have dropped out of  
 23 school, or are significantly at risk of dropping out of school.  
 24 Students are eligible to participate with the recommendation and  
 25 approval of their resident school district.

26 **Sec. 513.** 2011 2nd sp.s. c 9 s 514 (uncodified) is amended to read  
 27 as follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
 29 **BILINGUAL PROGRAMS**

30	General Fund--State Appropriation (FY 2012) . . . . .	(( \$79,496,000 ))
31		<u>\$79,575,000</u>
32	General Fund--State Appropriation (FY 2013) . . . . .	(( \$82,856,000 ))
33		<u>\$80,666,000</u>
34	General Fund--Federal Appropriation . . . . .	\$71,001,000
35	TOTAL APPROPRIATION . . . . .	(( \$233,353,000 ))
36		<u>\$231,242,000</u>

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

3 (1) Each general fund fiscal year appropriation includes such funds  
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 allocations to school districts  
25 in subsection (2) of this section solely for the central provision of  
26 assessments as provided in RCW 28A.180.090 (1) and (2) up to the  
27 following amounts: 2.79 percent for school year 2011-12 and ((2.09))  
28 2.11 percent for school year 2012-13.

29 (4) The general fund--federal appropriation in this section is for  
30 migrant education under Title I Part C and English language  
31 acquisition, and language enhancement grants under Title III of the  
32 elementary and secondary education act.

33 ~~(5)((a) The office of the superintendent of public instruction~~  
34 ~~shall implement a funding model for the transitional bilingual program,~~  
35 ~~beginning in school year 2012-13, that is scaled to provide more~~  
36 ~~support to students requiring most intensive intervention, (students~~  
37 ~~with beginning levels of English language proficiency) and less support~~  
38 ~~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 **Sec. 514.** 2011 2nd sp.s. c 9 s 515 (uncodified) is amended to read  
14 as follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**  
16 **ASSISTANCE PROGRAM**

17	General Fund--State Appropriation (FY 2012) . . . . .	(( \$102,470,000 ))
18		<u>\$102,619,000</u>
19	General Fund--State Appropriation (FY 2013) . . . . .	(( \$103,666,000 ))
20		<u>\$128,779,000</u>
21	General Fund--Federal Appropriation . . . . .	\$492,207,000
22	Education Legacy Trust Account--State	
23	Appropriation . . . . .	(( \$47,980,000 ))
24		<u>\$23,990,000</u>
25	TOTAL APPROPRIATION . . . . .	(( \$746,323,000 ))
26		<u>\$747,595,000</u>

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

29 (1) The general fund--state appropriations in this section are  
30 subject to the following conditions and limitations:

31 (a) The appropriations include such funds as are necessary to  
32 complete the school year ending in the fiscal year and for prior fiscal  
33 year adjustments.

34 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent  
35 shall allocate funding to school districts for learning assistance  
36 programs as provided in RCW 28A.150.260(10)(a). In calculating the  
37 allocations, the superintendent shall assume the following averages:

1 (A) Additional instruction of 1.51560 hours per week per funded  
2 learning assistance program student; (B) fifteen learning assistance  
3 program students per teacher; (C) 36 instructional weeks per year; (D)  
4 900 instructional hours per teacher; and (E) the district's average  
5 staff mix and compensation rates as provided in sections 503 and 504 of  
6 this act.

7 (ii) From July 1, 2011, to August 31, 2011, the superintendent  
8 shall allocate funding to school districts for learning assistance  
9 programs as provided in section 515, chapter 564, Laws of 2009, as  
10 amended through section 1412 of this act.

11 (c) A school district's funded students for the learning assistance  
12 program shall be the sum of the district's full-time equivalent  
13 enrollment in grades K-12 for the prior school year multiplied by the  
14 district's percentage of October headcount enrollment in grades K-12  
15 eligible for free or reduced price lunch in the prior school year.

16 (2) Allocations made pursuant to subsection (1) of this section  
17 shall be adjusted to reflect ineligible applications identified through  
18 the annual income verification process required by the national school  
19 lunch program, as recommended in the report of the state auditor on the  
20 learning assistance program dated February, 2010.

21 (3) The general fund--federal appropriation in this section is  
22 provided for Title I Part A allocations of the no child left behind act  
23 of 2001.

24 (4) A school district may carry over from one year to the next up  
25 to 10 percent of the general fund-state or education legacy trust funds  
26 allocated under this program; however, carryover funds shall be  
27 expended for the learning assistance program.

28 (5) The office of the superintendent of public instruction shall  
29 research and recommend options for an adjustment factor for middle  
30 school and high school free and reduced price lunch eligibility  
31 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report  
32 to the fiscal committees of the legislature by June 1, 2012. For the  
33 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

34 **Sec. 515.** 2011 1st sp.s. c 50 s 516 (uncodified) is amended to  
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

1 (1) Amounts distributed to districts by the superintendent through  
2 part V of this act are for allocations purposes only and do not entitle  
3 a particular district, district employee, or student to a specific  
4 service, beyond what has been expressly provided in statute. Part V of  
5 this act restates the requirements of various sections of Title 28A  
6 RCW. If any conflict exists, the provisions of Title 28A RCW control  
7 unless this act explicitly states that it is providing an enhancement.

8 Any amounts provided in part V of this act in excess of the amounts  
9 required by Title 28A RCW provided in statute, are not within the  
10 program of basic education.

11 (2) To the maximum extent practicable, when adopting new or revised  
12 rules or policies relating to the administration of allocations in part  
13 V of this act that result in fiscal impact, the office of the  
14 superintendent of public instruction shall attempt to seek legislative  
15 approval through the budget request process.

16 (3) Appropriations made in this act to the office of the  
17 superintendent of public instruction shall initially be allotted as  
18 required by this act. Subsequent allotment modifications shall not  
19 include transfers of moneys between sections of this act except as  
20 expressly provided in subsection (4) of this section.

21 (4) The appropriations to the office of the superintendent of  
22 public instruction in this act shall be expended for the programs and  
23 amounts specified in this act. However, after May 1, 2012, unless  
24 specifically prohibited by this act and after approval by the director  
25 of financial management, the superintendent of public instruction may  
26 transfer state general fund appropriations for fiscal year 2012 among  
27 the following programs to meet the apportionment schedule for a  
28 specified formula in another of these programs: General apportionment;  
29 employee compensation adjustments; pupil transportation; special  
30 education programs; institutional education programs; transitional  
31 bilingual programs; and learning assistance programs.

32 (5) The director of financial management shall notify the  
33 appropriate legislative fiscal committees in writing prior to approving  
34 any allotment modifications or transfers under this section.

(End of part)



**PART VI**  
**HIGHER EDUCATION**

**Sec. 601.** 2011 2nd sp.s. c 9 s 601 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$533,009,000</del> ))
	<u>\$532,843,000</u>
General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$525,644,000</del> ))
	<u>\$517,438,000</u>
Community/Technical College Capital Projects	
Account--State Appropriation . . . . .	(( <del>\$8,037,000</del> ))
	<u>\$12,793,000</u>
Education Legacy Trust Account--State	
Appropriation . . . . .	(( <del>\$95,370,000</del> ))
	<u>\$95,256,000</u>
TOTAL APPROPRIATION . . . . .	(( <del>\$1,162,060,000</del> ))
	<u>\$1,158,330,000</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 2012 and \$28,761,000 of the general fund--state appropriation for fiscal year 2013 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 2012 and at least 6,200 full-time equivalent students in fiscal year 2013.

(2) \$2,725,000 of the general fund--state appropriation for fiscal year 2012 and \$2,725,000 of the general fund--state appropriation for fiscal year 2013 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

1 the state, and the results of the partnerships supported by these  
2 funds.

3 (3) \$4,500,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$4,500,000 of the general fund--state appropriation for  
5 fiscal year 2013 is provided solely for worker retraining.

6 (4) Of the amounts appropriated in this section, \$5,000,000 is  
7 provided solely for the student achievement initiative.

8 (5) When implementing the appropriations in this section, the state  
9 board and the trustees of the individual community and technical  
10 colleges shall minimize impact on academic programs, maximize  
11 reductions in administration, and shall at least maintain, and endeavor  
12 to increase, enrollment opportunities and degree and certificate  
13 production in high employer-demand fields of study at their academic  
14 year 2008-09 levels.

15 (6) Community and technical colleges are not required to send mass  
16 mailings of course catalogs to residents of their districts. Community  
17 and technical colleges shall consider lower cost alternatives, such as  
18 mailing postcards or brochures that direct individuals to online  
19 information and other ways of acquiring print catalogs.

20 (7) Bellevue college is authorized to offer (~~applied~~)  
21 baccalaureate degrees in information technology, health care services  
22 and management, biotechnology, and preprofessional preparation for  
23 medical fields. These degrees shall be directed at high school  
24 graduates and transfer-oriented degree and professional and technical  
25 degree holders. In fiscal year 2012, Bellevue college will develop a  
26 two-year plan for offering these new degrees. The plan will assume  
27 funding for these new degrees shall come through redistribution of its  
28 current per full-time enrollment funding. The plan shall be delivered  
29 to the legislature by June 30, 2012.

30 (8) The Seattle community college district is authorized to offer  
31 (~~applied~~) baccalaureate degree programs in business/international  
32 business and technology management, interactive and artistic digital  
33 media, sustainability, building science technology, and allied and  
34 global health. These degrees shall be directed at high school  
35 graduates and professional and technical degree holders. In fiscal  
36 year 2012, Seattle community colleges shall develop a two-year plan for  
37 offering these new degrees. The plan will assume that funding for

1 these new degrees comes through redistribution of its current per full-  
2 time enrollment funding. The plan shall be delivered to the  
3 legislature by June 30, 2012.

4 (9) \$100,000 of the general fund--state appropriation for fiscal  
5 year 2013 is provided solely for the Jefferson education center.

6 (10) \$2,000,000 of the general fund--state appropriation for fiscal  
7 year 2013 is provided solely for an expansion in enrollments in  
8 science, technology, engineering, and math. Amounts provided in this  
9 subsection may be used only to cover direct costs of instruction  
10 associated with this enrollment expansion. By June 30, 2012, the state  
11 board for community and technical colleges shall provide a report to  
12 the legislature that provides specific detail on how these amounts will  
13 be spent. Each June 30th thereafter, the state board for community and  
14 technical colleges shall provide an updated report that provides  
15 specific detail on how these amounts were spent in the preceding twelve  
16 months.

17 (11) Amounts appropriated in this section are sufficient for the  
18 state board for community and technical colleges to conduct a  
19 comprehensive review of its tuition waiver policies. The resulting  
20 report shall include an overview of tuition waiver uses and costs  
21 (forgone revenue) and outcomes and any recommendations for changes to  
22 tuition waiver policy and shall be provided to the legislature no later  
23 than December 1, 2012.

24 (12) \$131,000 of the general fund--state appropriation for fiscal  
25 year 2013 is provided solely for the implementation of Second  
26 Substitute House Bill No. 2156 (workforce training/aerospace). If the  
27 bill is not enacted by June 30, 2012, the amount provided in this  
28 subsection shall lapse.

29 (13) The state board for community and technical colleges shall not  
30 use funds appropriated in this section to support intercollegiate  
31 athletics programs.

32 **Sec. 602.** 2011 2nd sp.s. c 9 s 602 (uncodified) is amended to read  
33 as follows:

34 **FOR THE UNIVERSITY OF WASHINGTON**

35	General Fund--State Appropriation (FY 2012) . . . . .	(( \$201,388,000 ))
36		<u>\$201,249,000</u>
37	General Fund--State Appropriation (FY 2013) . . . . .	(( \$206,358,000 ))

1		<u>\$201,659,000</u>
2	Education Legacy Trust Account--State Appropriation . . . .	\$18,579,000
3	<u>Economic Development Strategic Reserve Account--</u>	
4	<u>State Appropriation . . . . .</u>	<u>\$1,500,000</u>
5	Biotoxin Account--State Appropriation . . . . .	\$450,000
6	Accident Account--State Appropriation . . . . .	(( <del>\$6,699,000</del> ))
7		<u>\$6,681,000</u>
8	Medical Aid Account--State Appropriation . . . . .	(( <del>\$6,502,000</del> ))
9		<u>\$6,488,000</u>
10	TOTAL APPROPRIATION . . . . .	(( <del>\$439,976,000</del> ))
11		<u>\$436,606,000</u>

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

14       (1) In implementing the appropriations in this section, the  
15 president and regents shall seek to minimize impacts on student  
16 services and instructional programs by maximizing reductions in  
17 administration and other noninstructional activities.

18       (2) \$150,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$150,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided solely for the development of integrated  
21 medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho  
22 (WWAMI) medical education program in Spokane and eastern Washington.  
23 Funding is contingent on appropriations being provided to Washington  
24 State University for WWAMI program expansion in Spokane and eastern  
25 Washington.

26       (3) \$52,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$52,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for the center for international  
29 trade in forest products in the college of forest resources.

30       (4) \$88,000 of the general fund--state appropriation for fiscal  
31 year 2012 is provided solely for implementation of Engrossed Second  
32 Substitute Senate Bill No. 5485 (state's natural resources). If the  
33 bill is not enacted by June 30, 2011, the amount provided in this  
34 subsection shall lapse.

35       (5) \$143,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$144,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for the ongoing management of the  
38 Washington park arboretum.

1       (6) \$3,800,000 of the general fund--state appropriation for fiscal  
2 year 2013 is provided solely for an expansion in engineering  
3 enrollments, including enrollments in the field of computer science.  
4 Amounts provided in this subsection may be used only to cover direct  
5 costs of instruction associated with this enrollment expansion. By  
6 June 30, 2012, the university shall provide a report to the legislature  
7 that provides specific detail on how these amounts will be spent. Each  
8 September 1st thereafter, the university shall provide an updated  
9 report that provides specific detail on how these amounts were spent in  
10 the preceding twelve months.

11       (7) Amounts appropriated in this section are sufficient for the  
12 university to conduct a comprehensive review of its tuition waiver  
13 policies. The resulting report shall include an overview of tuition  
14 waiver uses and costs (forgone revenue) and outcomes and any  
15 recommendations for changes to tuition waiver policy and shall be  
16 provided to the legislature no later than December 1, 2012.

17       (8) \$610,000 of the general fund--state appropriation for fiscal  
18 year 2012 is provided solely to expand health sciences capacity at the  
19 University of Washington for Washington, Wyoming, Alaska, Montana,  
20 Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for  
21 fiscal year 2012 is provided solely to expand health sciences capacity  
22 at the University of Washington for Regional Initiatives in Dental  
23 Education (RIDE) for the WWAMI-RIDE program expansion to achieve full  
24 ramp-up of first-year medical students and dental students each year of  
25 the four-year programs.

26       (9) The University of Washington shall not use funds appropriated  
27 in this section to support intercollegiate athletics programs.

28       (10) Amounts appropriated in this section are sufficient to cover  
29 the costs associated with the implementation of Engrossed Substitute  
30 Senate Bill No. 6486 (collective bargaining for post-doctoral  
31 researchers).

32       **Sec. 603.** 2011 2nd sp.s. c 9 s 603 (uncodified) is amended to read  
33 as follows:

34 **FOR WASHINGTON STATE UNIVERSITY**

35	General Fund--State Appropriation (FY 2012) . . . . .	((\$134,512,000))
36		\$134,467,000
37	General Fund--State Appropriation (FY 2013) . . . . .	((\$136,087,000))

1		<u>\$133,864,000</u>
2	Education Legacy Trust Account--State Appropriation . . . . .	\$33,065,000
3	TOTAL APPROPRIATION . . . . .	(( <del>\$303,664,000</del> ))
4		<u>\$301,396,000</u>

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

7 (1) In implementing the appropriations in this section, the  
8 president and regents shall seek to minimize impacts on student  
9 services and instructional programs by maximizing reductions in  
10 administration and other noninstructional activities.

11 (2) Within available funds, Washington State University shall serve  
12 an additional cohort of fifteen full-time equivalent students in the  
13 mechanical engineering program located at Olympic College.

14 (3) \$300,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$300,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for the expansion of health  
17 sciences capacity through the Washington/Wyoming/Alaska/Montana/Idaho  
18 (WWAMI) medical education program in Spokane and eastern Washington.  
19 Funding is contingent on appropriations being provided to the  
20 University of Washington for integrated medical curriculum development  
21 for WWAMI.

22 (4) \$3,800,000 of the general fund--state appropriation for fiscal  
23 year 2013 is provided solely for an expansion in engineering  
24 enrollments, including enrollments in the field of computer science,  
25 including thirty additional full-time equivalent students in the  
26 mechanical engineering program located at Olympic College. Amounts  
27 provided in this subsection may be used only to cover direct costs of  
28 instruction associated with this enrollment expansion. By June 30,  
29 2012, the university shall provide a report to the legislature that  
30 provides specific detail on how these amounts will be spent. Each June  
31 30th thereafter, the university shall provide an updated report that  
32 provides specific detail on how these amounts were spent in the  
33 preceding twelve months.

34 (5) Amounts appropriated in this section are sufficient for the  
35 university to conduct a comprehensive review of its tuition waiver  
36 policies. The resulting report shall include an overview of tuition  
37 waiver uses and costs (forgone revenue) and outcomes and any

1 recommendations for changes to tuition waiver policy and shall be  
2 provided to the legislature no later than December 1, 2012.

3 (6) Washington State University shall not use funds appropriated in  
4 this section to support intercollegiate athletics programs.

5 (7) Amounts appropriated in this section are sufficient to cover  
6 the costs associated with the implementation of Engrossed Substitute  
7 Senate Bill No. 6486 (collective bargaining for post-doctoral  
8 researchers).

9 **Sec. 604.** 2011 2nd sp.s. c 9 s 604 (uncodified) is amended to read  
10 as follows:

11 **FOR EASTERN WASHINGTON UNIVERSITY**

12	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$26,257,000</del> ))
13		<u>\$26,241,000</u>
14	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$26,541,000</del> ))
15		<u>\$25,904,000</u>
16	Education Legacy Trust Account--State Appropriation . . . . .	\$16,087,000
17	TOTAL APPROPRIATION . . . . .	(( <del>\$68,885,000</del> ))
18		<u>\$68,232,000</u>

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) At least \$200,000 of the general fund--state appropriation for  
26 fiscal year 2012 and at least \$200,000 of the general fund--state  
27 appropriation for fiscal year 2013 shall be expended on the Northwest  
28 autism center.

29 (3) Amounts appropriated in this section are sufficient for the  
30 university to conduct a comprehensive review of its tuition waiver  
31 policies. The resulting report shall include an overview of tuition  
32 waiver uses and costs (forgone revenue) and outcomes and any  
33 recommendations for changes to tuition waiver policy and shall be  
34 provided to the legislature no later than December 1, 2012.

35 (4) \$1,209,000 of the general fund--state appropriation for fiscal  
36 year 2013 is provided solely for an expansion in enrollments in  
37 science, technology, engineering and math. Amounts provided in this

1 subsection may be used only to cover direct costs of instruction  
2 associated with this enrollment expansion. By June 30, 2012, the  
3 university shall provide a report to the legislature that provides  
4 specific detail on how these amounts will be spent. Each September 1st  
5 thereafter, the university shall provide an updated report that  
6 provides specific detail on how these amounts were spent in the  
7 preceding twelve months.

8 (5) Eastern Washington University shall not use funds appropriated  
9 in this section to support intercollegiate athletics programs.

10 **Sec. 605.** 2011 2nd sp.s. c 9 s 605 (uncodified) is amended to read  
11 as follows:

12 **FOR CENTRAL WASHINGTON UNIVERSITY**

13	General Fund--State Appropriation (FY 2012) . . . . .	(( \$22,468,000 ))
14		<u>\$22,455,000</u>
15	General Fund--State Appropriation (FY 2013) . . . . .	(( \$22,525,000 ))
16		<u>\$21,947,000</u>
17	Education Legacy Trust Account--State Appropriation . . . . .	\$19,076,000
18	TOTAL APPROPRIATION . . . . .	(( \$64,069,000 ))
19		<u>\$63,478,000</u>

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

22 (1) In implementing the appropriations in this section, the  
23 president and governing board shall seek to minimize impacts on student  
24 services and instructional programs by maximizing reductions in  
25 administration and other noninstructional activities.

26 (2) Amounts appropriated in this section are sufficient for the  
27 university to conduct a comprehensive review of its tuition waiver  
28 policies. The resulting report shall include an overview of tuition  
29 waiver uses and costs (forgone revenue) and outcomes and any  
30 recommendations for changes to tuition waiver policy and shall be  
31 provided to the legislature no later than December 1, 2012.

32 (3) \$1,125,000 of the general fund--state appropriation for fiscal  
33 year 2013 is provided solely for an expansion in enrollments in  
34 science, technology, engineering and math. Amounts provided in this  
35 subsection may be used only to cover direct costs of instruction  
36 associated with this enrollment expansion. By June 30, 2012, the  
37 university shall provide a report to the legislature that provides



1 specific detail on how these amounts will be spent. Each September 1st  
2 thereafter, the university shall provide an updated report that  
3 provides specific detail on how these amounts were spent in the  
4 preceding twelve months.

5 (4) Central Washington University shall not use funds appropriated  
6 in this section to support intercollegiate athletics programs.

7 **Sec. 606.** 2011 2nd sp.s. c 9 s 606 (uncodified) is amended to read  
8 as follows:

9 **FOR THE EVERGREEN STATE COLLEGE**

10	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$15,595,000</del> ))
11		<u>\$15,636,000</u>
12	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$15,339,000</del> ))
13		<u>\$15,183,000</u>
14	Education Legacy Trust Account--State Appropriation . . . . .	\$5,450,000
15	TOTAL APPROPRIATION . . . . .	(( <del>\$36,384,000</del> ))
16		<u>\$36,269,000</u>

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

19 (1) In implementing the appropriations in this section, the  
20 president and governing board shall seek to minimize impacts on student  
21 services and instructional programs by maximizing reductions in  
22 administration and other noninstructional activities.

23 (2) \$50,000 of the general fund--state appropriation for fiscal  
24 year 2012 and \$25,000 of the general fund--state appropriation for  
25 fiscal year 2013 are provided solely for the Washington state institute  
26 for public policy to conduct a detailed study of the commitment of  
27 sexually violent predators to the special commitment center pursuant to  
28 chapter 71.09 RCW and the subsequent release of those persons to  
29 less-restrictive alternatives.

30 (a) Specifically, the institute's study shall examine:

31 (i) The projected future demand for the special commitment center,  
32 including profiles and characteristics of persons referred and  
33 committed to the special commitment center since its inception, whether  
34 the profiles of those persons have changed over time, and, given  
35 current trends, the likelihood of the continuing rate of referral;

36 (ii) Residents' participation in treatment over time and the impact  
37 of treatment on eventual release to a less-restrictive alternative;

1 (iii) The annual review process and the process for a committed  
2 person to petition for conditional or unconditional release,  
3 specifically:

4 (A) The time frames for conducting mandatory reviews;

5 (B) The role of the special commitment center clinical team;

6 (C) Options and standards utilized by other jurisdictions or  
7 similar processes to conduct periodic reviews, including specialized  
8 courts, parole boards, independent review boards, and other commitment  
9 proceedings;

10 (iv) The capacity and future demand for appropriate less  
11 restrictive alternatives for moving residents out of the special  
12 commitment center, including:

13 (A) The capacity and demand for secure community transition  
14 facilities;

15 (B) Options for specialized populations such as the elderly or  
16 those with developmental disabilities and whether more cost-efficient  
17 options might be used to house those populations while keeping the  
18 public safe;

19 (C) Prospects for moving residents to noninstitutionalized settings  
20 beyond a secure community transition facility.

21 (b) The department of social and health services shall cooperate  
22 with the institute in conducting its examination and must provide the  
23 institute with requested data and records in a timely manner.

24 (c) The institute shall provide a status report to the governor and  
25 the legislature no later than November 1, 2011, with a final report due  
26 no later than November 1, 2012.

27 (3) \$50,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$50,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for the institute for public  
30 policy to provide research support to the council on quality education.

31 (4) To the extent federal or private funding is available for this  
32 purpose, the Washington state institute for public policy and the  
33 center for reinventing public education at the University of Washington  
34 shall examine the relationship between participation in pension systems  
35 and teacher quality and mobility patterns in the state. The department  
36 of retirement systems shall facilitate researchers' access to necessary  
37 individual-level data necessary to effectively conduct the study. The  
38 researchers shall ensure that no individually identifiable information

1 will be disclosed at any time. An interim report on project findings  
2 shall be completed by November 15, 2010, and a final report shall be  
3 submitted to the governor and to the relevant committees of the  
4 legislature by October 15, 2011.

5 (5) Funding provided in this section is sufficient for The  
6 Evergreen State College to continue operations of the Longhouse Center  
7 and the Northwest Indian applied research institute.

8 (6) If, and to the extent that private funding is available for  
9 this purpose, the Washington state institute for public policy shall  
10 study and report on the child welfare and educational characteristics  
11 and outcomes for foster youth who are served by educational advocates.  
12 The department of social and health services and the office of the  
13 superintendent of public instruction shall facilitate researchers'  
14 access to data necessary to effectively complete the study. The  
15 institute shall submit an interim report with baseline characteristics  
16 of youth served by educational advocates by December 2011 and a final  
17 report by October 31, 2012, to the governor and to the appropriate  
18 committees of the legislature.

19 (7) \$75,000 of the general fund--state appropriation for fiscal  
20 year 2012 is provided to the Washington state institute for public  
21 policy (WSIPP) to conduct a review of state investments in the family  
22 caregiver and support program. Funding for this program is provided by  
23 assumed savings from diverting seniors from entering into long-term  
24 care medicaid placements by supporting informal caregivers. WSIPP  
25 shall work with the department of social and health services to  
26 establish and review outcome data for this investment. A preliminary  
27 report on the outcomes of the investment into this program is due to  
28 the appropriate legislative committees by December 15, 2011, and a  
29 final report is due to the appropriate legislative committees by August  
30 30, 2012.

31 (8) \$50,000 of the general fund--state appropriation for fiscal  
32 year 2013 is provided solely to implement Second Substitute House Bill  
33 No. 2264 (child welfare/contracting). If the bill is not enacted by  
34 June 30, 2012, the amount provided in this subsection shall lapse.

35 (9) Amounts appropriated in this section are sufficient for the  
36 college to conduct a comprehensive review of its tuition waiver  
37 policies. The resulting report shall include an overview of tuition

1 waiver uses and costs (forgone revenue) and outcomes and any  
2 recommendations for changes to tuition waiver policy and shall be  
3 provided to the legislature no later than December 1, 2012.

4 (10) \$639,000 of the general fund--state appropriation for fiscal  
5 year 2013 is provided solely for an expansion in enrollments in  
6 science, technology, engineering and math. Amounts provided in this  
7 subsection may be used only to cover direct costs of instruction  
8 associated with this enrollment expansion. By June 30, 2012, the  
9 college shall provide a report to the legislature that provides  
10 specific detail on how these amounts will be spent. Each September 1st  
11 thereafter, the college shall provide an updated report that provides  
12 specific detail on how these amounts were spent in the preceding twelve  
13 months.

14 (11) \$17,000 of the general fund--state appropriation for fiscal  
15 year 2013 are provided solely to implement Substitute Senate Bill No.  
16 6492 (competency to stand trial). If the bill is not enacted by June  
17 30, 2012, the amount provided in this subsection shall lapse.

18 (12) \$40,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$60,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided solely for the Washington state institute  
21 for public policy to conduct a longitudinal study of the state need  
22 grant program. The purpose of this study is to determine to what  
23 extent this program has increased access and degree attainment for low-  
24 income students and to determine whether the funding for the state need  
25 grant has been utilized in the most efficient way possible to maximize  
26 the enrollment and degree attainment of low-income students. This  
27 study shall include, but not be limited to, a review of the following:

28 (a) The demographics of recipients of the state need grant program,  
29 including, but not limited to, gender, race, and income;

30 (b) The effect of the state need grant on enrollment rates of low-  
31 income students at the different institutions of higher education and  
32 whether these students attend full-time or part-time;

33 (c) The effect of the state need grant on recipients' persistence,  
34 performance, degree or certificate completion, and time to degree or  
35 certificate completion at the different institutions of higher  
36 education;

37 (d) An inventory of the types of degrees and certifications at the

1 different institutions of higher education, by field of study, obtained  
2 by recipients; and

3 (e) The interplay of the state need grant program with other forms  
4 of federal financial aid and the effect of this interplay on access and  
5 degree attainment of low-income students.

6 A final report of the findings shall be submitted to the governor  
7 and the appropriate committees of the legislature by December 1, 2012,  
8 and, based on the findings, shall include recommendations for using  
9 more efficiently the funds provided to the state need grant program to  
10 increase access and degree attainment of low-income students. To the  
11 maximum extent possible, this report shall disaggregate the demographic  
12 and institution specific data in a manner that will inform policymakers  
13 of the enrollment patterns and success of specific subsets of  
14 recipients within the different institutions of higher education. The  
15 higher education coordinating board, or its successor agency, the  
16 education data center, and the institutions of higher education shall  
17 cooperate with the Washington state institute for public policy in the  
18 conduct of this study and shall provide to the institute the necessary  
19 data and information to complete this study.

20 (13) \$15,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$50,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely for the Washington state institute  
23 for public policy to conduct an evaluation of the benefits provided in  
24 the pension plans offered by public employers in the state.

25 (a) Specifically, the study shall examine:

26 (i) The level of benefits offered by the state retirement plans and  
27 retirement plans sponsored by local government employers relative to  
28 the benefits provided in other states;

29 (ii) The adequacy of pension benefits provided to public employees,  
30 including barriers to retirement;

31 (iii) Barriers to the portability of retirement benefits between  
32 public employers in the state, including opportunities to improve  
33 benefit portability and compatibility; and

34 (iv) The treatment of overtime earnings in public employee  
35 retirement plans relative to the treatment of earnings in other states,  
36 including the impact of excess compensation on state retirement system  
37 contribution rates with a particular emphasis on agencies that operate

1 on a 24-hour basis, such as the state patrol, ferry system, and state  
2 prisons.

3 (b) In conducting the study, the institute shall collaborate with  
4 the office of the state actuary and shall solicit input from local  
5 government plan sponsors.

6 (c) The institute shall report its findings to the select committee  
7 on pension policy and the committees on ways and means of the house of  
8 representatives and the senate by December 1, 2012.

9 (14) \$5,000 of the general fund--state appropriation for fiscal  
10 year 2012 and \$10,000 of the general fund--state appropriation for  
11 fiscal year 2013 are provided solely for the Washington state institute  
12 for public policy to assess the potential costs and benefits of  
13 implementing the national academy of pediatricians' "bright futures"  
14 recommended schedule of well-child visits, developmental, and autism  
15 screenings in state medical assistance programs. The assessment shall  
16 be conducted in consultation with subject area experts, and shall  
17 include an estimate of the full cost of implementing the revised  
18 standards; identification and estimation of the fiscal and nonfiscal  
19 benefits; and computation of an estimated return on investment. The  
20 health care authority shall provide the institute with confidential  
21 access to claims and encounter data as necessary to complete this  
22 project. The institute shall report its finding to the relevant policy  
23 and fiscal committees of the legislature by December 31, 2012.

24 (15) The Evergreen State College shall not use funds appropriated  
25 in this section to support intercollegiate athletics programs.

26 (16) \$46,000 of the general fund--state appropriation for fiscal  
27 year 2013 is provided solely for the implementation of section 10 of  
28 Engrossed Substitute House Bill No. 2363 (domestic violence). If the  
29 bill is not enacted by June 30, 2012, the amount provided in this  
30 subsection shall lapse.

31 **Sec. 607.** 2011 2nd sp.s. c 9 s 607 (uncodified) is amended to read  
32 as follows:

33 **FOR WESTERN WASHINGTON UNIVERSITY**

34	General Fund--State Appropriation (FY 2012) . . . . .	(( \$33,754,000 ))
35		\$33,732,000
36	General Fund--State Appropriation (FY 2013) . . . . .	(( \$33,743,000 ))
37		\$32,844,000

1	Education Legacy Trust Account--State	
2	Appropriation . . . . .	(((\$13,266,000))
3		<u>\$13,204,000</u>
4	TOTAL APPROPRIATION . . . . .	(((\$80,763,000))
5		<u>\$79,780,000</u>

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

8       (1) In implementing the appropriations in this section, the  
9 president and governing board shall seek to minimize impacts on student  
10 services and instructional programs by maximizing reductions in  
11 administration and other noninstructional activities.

12       (2) Amounts appropriated in this section are sufficient for the  
13 university to conduct a comprehensive review of its tuition waiver  
14 policies. The resulting report shall include an overview of tuition  
15 waiver uses and costs (forgone revenue) and outcomes and any  
16 recommendations for changes to tuition waiver policy and shall be  
17 provided to the legislature no later than December 1, 2012.

18       (3) \$1,427,000 of the general fund--state appropriation for fiscal  
19 year 2013 is provided solely for an expansion in enrollments in  
20 science, technology, engineering and math. Amounts provided in this  
21 subsection may be used only to cover direct costs of instruction  
22 associated with this enrollment expansion. By June 30, 2012, the  
23 university shall provide a report to the legislature that provides  
24 specific detail on how these amounts will be spent. Each September 1st  
25 thereafter, the university shall provide an updated report that  
26 provides specific detail on how these amounts were spent in the  
27 preceding twelve months.

28       (4) Western Washington University shall not use funds appropriated  
29 in this section to support intercollegiate athletics programs.

30       NEW SECTION. Sec. 608. 2011 2nd sp.s. c 9 s 610 (uncodified) and  
31 2011 1st sp.s. c 50 s 614 (uncodified) are repealed.

32       NEW SECTION. Sec. 609. 2011 2nd sp.s. c 9 s 611 (uncodified) and  
33 2011 1st sp.s. c 50 s 615 (uncodified) are repealed.

34       **Sec. 610.** 2011 2nd sp.s. c 9 s 608 (uncodified) is amended to read  
35 as follows:

1 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**  
2 **ADMINISTRATION**

3	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,036,000</del> ))
4		<u>\$1,041,000</u>
5	General Fund--Federal Appropriation . . . . .	\$1,976,000
6	TOTAL APPROPRIATION . . . . .	(( <del>\$3,012,000</del> ))
7		<u>\$3,017,000</u>

8 The appropriations in this section are subject to the following  
9 conditions and limitations: The higher education coordinating board is  
10 authorized to increase or establish fees for initial degree  
11 authorization, degree authorization renewal, degree authorization  
12 reapplication, new program applications, and new site applications  
13 pursuant to RCW 28B.85.060.

14 **Sec. 611.** 2011 2nd sp.s. c 9 s 609 (uncodified) is amended to read  
15 as follows:

16 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**  
17 **PROGRAMS**

18	General Fund--State Appropriation (FY 2012) . . . . .	\$217,939,000
19	General Fund--Federal Appropriation . . . . .	\$5,829,000
20	Opportunity Pathways Account--State Appropriation . . . . .	\$73,500,000
21	TOTAL APPROPRIATION . . . . .	\$297,268,000

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

24 (1) \$200,413,000 of the general fund--state appropriation for  
25 fiscal year 2012 and \$73,500,000 of the opportunity pathways account--  
26 state appropriation are provided solely for student financial aid  
27 payments under the state need grant and the state work study program  
28 including up to a four percent administrative allowance for the state  
29 work study program.

30 (2) Within the funds appropriated in this section, eligibility for  
31 the state need grant shall include students with family incomes at or  
32 below 70 percent of the state median family income (MFI), adjusted for  
33 family size, and shall include students enrolled in three to five  
34 credit-bearing quarter credits, or the equivalent semester credits.  
35 The higher education coordinating board shall report to the legislature  
36 by December 1, 2013, regarding the number of students enrolled in three  
37 to five credit-bearing quarter credits, or the equivalent semester



1 credits, and their academic progress including degree completion.  
2 Awards for all students shall be adjusted by the estimated amount by  
3 which Pell grant increases exceed projected increases in the  
4 noninstructional costs of attendance. Awards for students with incomes  
5 between 51 and 70 percent of the state median shall be prorated at the  
6 following percentages of the award amount granted to those with incomes  
7 below 51 percent of the MFI: 70 percent for students with family  
8 incomes between 51 and 55 percent MFI; 65 percent for students with  
9 family incomes between 56 and 60 percent MFI; 60 percent for students  
10 with family incomes between 61 and 65 percent MFI; and 50 percent for  
11 students with family incomes between 66 and 70 percent MFI.

12 (3) For fiscal year 2012, the board shall defer loan or conditional  
13 scholarship repayments to the future teachers conditional scholarship  
14 and loan repayment program for up to one year for each participant if  
15 the participant has shown evidence of efforts to find a teaching job  
16 but has been unable to secure a teaching job per the requirements of  
17 the program.

18 (4) \$500,000 of the general fund--state appropriation for fiscal  
19 year 2012 is provided solely for the leadership 1000 program.

20 (5) \$2,436,000 of the general fund--state appropriation for fiscal  
21 year 2012 is provided solely for the passport to college program. The  
22 maximum scholarship award shall be \$5,000. The board shall contract  
23 with a nonprofit organization to provide support services to increase  
24 student completion in their postsecondary program and shall, under this  
25 contract provide a minimum of \$500,000 in fiscal year 2012. Any  
26 amounts provided in this subsection that remain unobligated at the  
27 close of fiscal year 2012 must be transferred to the state education  
28 trust account in RCW 28B.92.140 for purposes of the passport to college  
29 program.

30 (6) \$250,000 of the general fund--state appropriation for fiscal  
31 year 2012 is provided solely for implementation of the aerospace  
32 training scholarship and student loan program as specified in Engrossed  
33 Substitute House Bill No. 1846 (aerospace student loans). If this bill  
34 is not enacted by June 30, 2011, the amount provided in this subsection  
35 shall lapse.

36 NEW SECTION. Sec. 612. A new section is added to 2011 1st sp.s.  
37 c 50 (uncodified) to read as follows:

1 **FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND**  
2 **ADMINISTRATION**

3	General Fund--State Appropriation (FY 2013) . . . . .	\$4,937,000
4	General Fund--Federal Appropriation . . . . .	\$2,376,000
5	TOTAL APPROPRIATION . . . . .	\$7,313,000

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

8 (1) The student achievement council is authorized to increase or  
9 establish fees for initial degree authorization, degree authorization  
10 renewal, degree authorization reapplication, new program applications,  
11 and new site applications pursuant to RCW 28B.85.060.

12 (2) \$1,043,000 of the general fund--state appropriation for fiscal  
13 year 2013 is provided solely for the implementation of Engrossed Second  
14 Substitute House Bill No. 2483 (higher education coordination). If the  
15 bill is not enacted by June 30, 2012, the amount provided in this  
16 subsection shall lapse.

17 NEW SECTION. **Sec. 613.** A new section is added to 2011 1st sp.s.  
18 c 50 (uncodified) to read as follows:

19 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**  
20 **ASSISTANCE**

21	General Fund--State Appropriation (FY 2013) . . . . .	\$247,039,000
22	General Fund--Federal Appropriation . . . . .	\$5,812,000
23	Washington Opportunity Pathways Account--State	
24	Appropriation . . . . .	\$73,500,000
25	TOTAL APPROPRIATION . . . . .	\$326,351,000

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

28 (1) \$237,018,000 of the general fund--state appropriation for  
29 fiscal year 2013, and \$73,500,000 of the opportunity pathways account--  
30 state appropriation are provided solely for student financial aid  
31 payments under the state need grant and the state work study programs  
32 including up to a four percent administrative allowance for the state  
33 work study program.

34 (2) Within the funds appropriated in this section, eligibility for  
35 the state need grant shall include students with family incomes at or  
36 below 70 percent of the state median family income (MFI), adjusted for  
37 family size, and shall include students enrolled in three to five

1 credit-bearing quarter credits, or the equivalent semester credits.  
2 The higher education coordinating board shall report to the legislature  
3 by December 1, 2013, regarding the number of students enrolled in three  
4 to five credit-bearing quarter credits, or the equivalent semester  
5 credits, and their academic progress including degree completion.  
6 Awards for all students shall be adjusted by the estimated amount by  
7 which Pell grant increases exceed projected increases in the  
8 noninstructional costs of attendance. Awards for students with incomes  
9 between 51 and 70 percent of the state median shall be prorated at the  
10 following percentages of the award amount granted to those with incomes  
11 below 51 percent of the MFI: 70 percent for students with family  
12 incomes between 51 and 55 percent MFI; 65 percent for students with  
13 family incomes between 56 and 60 percent MFI; 60 percent for students  
14 with family incomes between 61 and 65 percent MFI; and 50 percent for  
15 students with family incomes between 66 and 70 percent MFI.

16 (3) \$1,250,000 of the general fund--state appropriation for fiscal  
17 year 2013 is provided solely for implementation of the aerospace  
18 training scholarship and student loan program as specified in Engrossed  
19 Substitute House Bill No. 1846 (aerospace student loans). If the bill  
20 is not enacted by June 30, 2012, the amount provided in this subsection  
21 shall lapse.

22 (4) For fiscal year 2013, the board shall defer loan or conditional  
23 scholarship repayments to the future teachers conditional scholarship  
24 and loan repayment program for up to one year for each participant if  
25 the participant has shown evidence of efforts to find a teaching job  
26 but has been unable to secure a teaching job per the requirements of  
27 the program.

28 (5) \$1,000,000 of the education legacy trust account--state  
29 appropriation is provided solely for the gaining early awareness and  
30 readiness for undergraduate programs project.

31 (6) \$1,500,000 of the general fund--state appropriation for fiscal  
32 year 2013 is provided solely for the leadership 1000 program.

33 (7) \$2,436,000 of the general fund--state appropriation for fiscal  
34 year 2013 is provided solely for the passport to college program. The  
35 maximum scholarship award shall be \$5,000. The board shall contract  
36 with a nonprofit organization to provide support services to increase  
37 student completion in their postsecondary program and shall, under this

1 contract, provide a minimum of \$500,000 in fiscal year 2013 for this  
2 purpose.

3 (8) In addition to the entities listed in RCW 28B.122.010, the  
4 aerospace student loan program may provide loans to students attending  
5 an aerospace training program at Renton technical college.

6 (9) The office of student financial assistance and the department  
7 of health shall prioritize a portion of any nonfederal balances in the  
8 health professional loan repayment and scholarship fund for conditional  
9 loan repayment contracts with psychiatrists and with advanced  
10 registered nurse practitioners for work at one of the state-operated  
11 psychiatric hospitals. The office and department shall designate the  
12 state hospitals as health professional shortage areas if necessary for  
13 this purpose. The office of student financial assistance shall  
14 coordinate with the department of social and health services to  
15 effectively incorporate these conditional loan repayments into the  
16 department's advanced psychiatric professional recruitment and  
17 retention strategies.

18 (10) \$50,000 of the amount provided in this section shall be used  
19 to convene the higher education loan program work group. The work  
20 group shall develop methods for funding the loan program in the future,  
21 as well as recommendations regarding the best loan program structure  
22 for providing financial aid to underserved populations. The work group  
23 shall seek out technical advice from the housing finance commission.  
24 At a minimum, the recommendations regarding the proposed loan program  
25 must take into account the following: Whether students could benefit  
26 from the creation of a new student loan program; the relationship  
27 between the student loan program and the state need grant program and  
28 the state need grant qualified student population; mechanisms to  
29 achieve interest rates that are below those offered in federally  
30 guaranteed and private bank student loans; sources of initial and  
31 on-going funding for loans and program operation; and default risks,  
32 reserve requirements, and other conditions required for the student  
33 loan program. The work group shall provide a report to the legislature  
34 no later than December 1, 2012.

35 **Sec. 614.** 2011 1st sp.s. c 50 s 616 (uncodified) is amended to  
36 read as follows:

1 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

2	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$1,382,000</del> ))
3		<u>\$1,310,000</u>
4	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$1,388,000</del> ))
5		<u>\$1,345,000</u>
6	General Fund--Federal Appropriation . . . . .	(( <del>\$62,758,000</del> ))
7		<u>\$62,733,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$65,528,000</del> ))
9		<u>\$65,388,000</u>

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

12 (1) For the 2011-2013 fiscal biennium the board shall not designate  
13 recipients of the Washington award for vocational excellence or  
14 recognize them at award ceremonies as provided in RCW 28C.04.535.

15 (2) \$36,000 of the general fund--state appropriation for fiscal  
16 year 2013 is provided solely for the implementation of Second  
17 Substitute House Bill No. 2156 (workforce training/aerospace). If this  
18 bill is not enacted by June 30, 2012, the amount provided in the  
19 subsection shall lapse.

20 **Sec. 615.** 2011 2nd sp.s. c 9 s 612 (uncodified) is amended to read  
21 as follows:

22 **FOR THE DEPARTMENT OF EARLY LEARNING**

23	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$27,571,000</del> ))
24		<u>\$25,497,000</u>
25	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$27,558,000</del> ))
26		<u>\$29,519,000</u>
27	General Fund--Federal Appropriation . . . . .	(( <del>\$261,753,000</del> ))
28		<u>\$280,320,000</u>
29	Opportunity Pathways Account--State Appropriation . . .	(( <del>\$80,000,000</del> ))
30		<u>\$78,000,000</u>
31	<u>Home Visiting Services Account--Federal Appropriation . . . .</u>	<u>\$300,000</u>
32	TOTAL APPROPRIATION . . . . .	(( <del>\$396,882,000</del> ))
33		<u>\$413,636,000</u>

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

36 (1) \$16,028,000 of the general fund--state appropriation for fiscal  
37 year 2012, ((~~\$16,028,000~~)) \$18,028,000 of the general fund--state

1 appropriation of fiscal year 2013, (~~(\$80,000,000)~~) \$78,000,000 of the  
2 opportunity pathways account appropriation, and \$2,256,000 of the  
3 general fund--federal appropriation are provided solely for the early  
4 childhood education assistance program services. Of these amounts,  
5 \$10,284,000 is a portion of the biennial amount of state maintenance of  
6 effort dollars required to receive federal child care and development  
7 fund grant dollars.

8 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the  
9 department is authorized to increase child care center and child care  
10 family home licensure fees in fiscal years 2012 and 2013 for costs to  
11 the department for the licensure activity, including costs of necessary  
12 inspection. These increases are necessary to support expenditures  
13 authorized in this section.

14 (3) (~~(\$638,000)~~) \$64,000 of the general fund--state appropriation  
15 for fiscal year 2012 (~~and~~), \$638,000 of the general fund--state  
16 appropriation for fiscal year 2013, and \$574,000 of the general fund--  
17 federal appropriation are provided solely for child care resource and  
18 referral network services.

19 (4) \$200,000 of the general fund--state appropriation for fiscal  
20 year 2012 and \$200,000 of the general fund--state appropriation for  
21 fiscal year 2013 are provided solely to develop and provide culturally  
22 relevant supports for parents, family, and other caregivers.

23 (5) The department is the lead agency for and recipient of the  
24 federal child care and development fund grant. Amounts within this  
25 grant shall be used to fund child care licensing, quality initiatives,  
26 agency administration, and other costs associated with child care  
27 subsidies. The department shall transfer a portion of this grant to  
28 the department of social and health services to fund the child care  
29 subsidies paid by the department of social and health services on  
30 behalf of the department of early learning.

31 (6) The appropriations in this section reflect reductions in the  
32 appropriations for the department's administrative expenses. It is the  
33 intent of the legislature that these reductions 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  
36 program.

37 (7) \$934,000 of the general fund--state appropriation for fiscal  
38 year 2012, \$934,000 of the general fund--state appropriation for fiscal

1 year 2013, and \$2,400,000 of the general fund--federal appropriation  
2 are provided solely for expenditure into the home visiting services  
3 account. This funding is intended to meet federal maintenance of  
4 effort requirements and to secure private matching funds.

5 (a) All federal funds received by the department for home visiting  
6 activities must be deposited into the home visiting services account.

7 (b) The department must consult with stakeholders during the  
8 development of the Washington home visiting plan and any future  
9 proposals for federal funding.

10 (c) \$300,000 of the home visiting services account--federal  
11 appropriation is provided solely for program administration pursuant to  
12 RCW 43.215.130. No other funds may be expended for that purpose.

13 (8)(a) \$153,558,000 of the general fund--federal appropriation is  
14 provided solely for the working connections child care program under  
15 RCW 43.215.135.

16 (b) In addition to groups that were given prioritized access to the  
17 working connections child care program effective March 1, 2011, the  
18 department shall also give prioritized access into the program to  
19 families in which a parent of a child in care is a minor who is not  
20 living with a parent or guardian and who is a full-time student in a  
21 high school that has a school-sponsored on-site child care center.

22 (9)(a) \$50,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$1,050,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for implementation and  
25 administration of an electronic benefit transfer system. The system  
26 shall include electronic time keeping, integrated with an eligibility  
27 information technology system, and an electronic payment system. The  
28 department shall coordinate implementation of this system with the  
29 department of social and health services.

30 (b) \$100,000 of the general fund--state appropriation in this  
31 subsection is provided solely for the department to contract for an  
32 independent consultant to evaluate and recommend the optimum system for  
33 the eligibility determination process. The evaluation must include an  
34 analysis of lean management processes that, if adopted, could improve  
35 the cost effectiveness and delivery of eligibility determination. The  
36 department shall coordinate with the department of social and health  
37 services for this evaluation. The department must report to the office

1 of financial management and the appropriate fiscal and policy  
2 committees of the legislature by December 1, 2012.

3 (10) 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 and the legislative-executive WorkFirst oversight  
8 task force. The report shall also identify the number of cases  
9 participating in both temporary assistance for needy families and  
10 working connections child care.

11 ~~((+10+))~~ (11) \$1,025,000 of the general fund--state appropriation  
12 for fiscal year 2013 and \$6,712,000 of the general fund--federal  
13 appropriation are provided solely for the seasonal child care program  
14 in fiscal year 2013.

15 (12) \$2,522,000 of the general fund--state appropriation for fiscal  
16 year 2012, \$2,522,000 of the general fund--state appropriation for  
17 fiscal year 2013, and \$4,304,000 of the general fund--federal  
18 appropriation are provided solely for the medicaid treatment child care  
19 (MTCC) program. The department shall contract for MTCC services to  
20 provide therapeutic child care and other specialized treatment services  
21 to abused, neglected, at-risk, and/or drug-affected children. Priority  
22 for services shall be given to children referred from the department of  
23 social and health services children's administration. In addition to  
24 referrals made by children's administration, the department shall  
25 authorize services for children referred to the MTCC program, as long  
26 as the children meet the eligibility requirements as outlined in the  
27 Washington state plan for the MTCC program. Of the amounts  
28 appropriated in this subsection, \$60,000 per fiscal year may be used by  
29 the department for administering the MTCC program, if needed.

30 (13) \$10,000 of the general fund--state appropriation is provided  
31 solely for:

32 (a) The department shall convene a subcommittee to the early  
33 learning advisory council to make recommendations development and  
34 implementation of a Washington preschool program. The subcommittee's  
35 recommendations should include, but are not limited to:

36 (i) Criteria and processes for lead and assistant teachers to  
37 demonstrate the required competencies or equivalent competencies;



1 (ii) Qualifications and continuing education requirements for other  
2 staff in addition to lead and assistant teachers; and

3 (iii) A schedule to phase in degree and equivalent competency  
4 requirements provided for lead and assistant teachers.

5 The subcommittee shall report its initial recommendations to the  
6 early learning advisory council and the appropriate committees of  
7 legislature by December 31, 2012.

8 (b) The subcommittee must develop the schedule in (a)(iii) of this  
9 subsection in consultation with: The professional educator standards  
10 board, state board for community and technical colleges, higher  
11 education coordinating board, nongovernmental private-public  
12 partnership created in RCW 43.215.070, tribes, labor organizations  
13 representing child care workers, representatives from child care  
14 centers, early childhood education and assistance program and head  
15 start association, and the Puget Sound education service district to  
16 determine:

17 (i) Capacity at higher education institutions to implement degree  
18 requirements;

19 (ii) Availability of financial aid to ensure access to degree  
20 requirements;

21 (iii) Availability of classes for nontraditional students including  
22 online, evening, and weekend offerings;

23 (iv) Availability of additional resources to meet the unique needs  
24 of tribes, family child care providers, and other nontraditional  
25 caregivers including, but not limited to, mentoring, coaching,  
26 resource-sharing models or other resources to ensure child care  
27 providers have access to ongoing education opportunities;

28 (v) Additional pathways to demonstrate competencies, including  
29 consideration of the quality rating and improvement system ratings as  
30 a mechanism to demonstrate eligibility to apply for contracts for the  
31 early learning program outlined in RCW 43.215.142; and

32 (vi) Development of a teacher compensation model.

33 (14) \$150,000 of the general fund--state appropriation for fiscal  
34 year 2012 and \$150,000 of the general fund--state appropriation for  
35 fiscal year 2013 are provided solely for a contract with a nonprofit  
36 entity experienced in the provision of promoting early literacy for  
37 children through pediatric office visits.

1       **Sec. 616.** 2011 2nd sp.s. c 9 s 613 (uncodified) is amended to read  
2 as follows:

3       **FOR THE STATE SCHOOL FOR THE BLIND**

4	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$5,782,000</del> ))
5		<u>\$5,776,000</u>
6	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$5,749,000</del> ))
7		<u>\$5,672,000</u>
8	<del>((General Fund--Private/Local Appropriation . . . . .</del>	<del>\$1,961,000))</del>
9	TOTAL APPROPRIATION . . . . .	(( <del>\$13,492,000</del> ))
10		<u>\$11,448,000</u>

11       ~~((The appropriations in this section are subject to the following  
12 conditions and limitations: \$271,000 of the general fund--  
13 private/local appropriation is provided solely for the school for the  
14 blind to offer short course programs, allowing students the opportunity  
15 to leave their home schools for short periods and receive intensive  
16 training. The school for the blind shall provide this service to the  
17 extent that it is funded by contracts with school districts and  
18 educational services districts.))~~

19       **Sec. 617.** 2011 2nd sp.s. c 9 s 614 (uncodified) is amended to read  
20 as follows:

21       **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING  
22 LOSS**

23	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$8,449,000</del> ))
24		<u>\$8,441,000</u>
25	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$8,446,000</del> ))
26		<u>\$8,338,000</u>
27	<del>((General Fund--Private/Local Appropriation . . . . .</del>	<del>\$526,000))</del>
28	TOTAL APPROPRIATION . . . . .	(( <del>\$17,421,000</del> ))
29		<u>\$16,779,000</u>

30       **Sec. 618.** 2011 2nd sp.s. c 9 s 615 (uncodified) is amended to read  
31 as follows:

32       **FOR THE WASHINGTON STATE ARTS COMMISSION**

33	General Fund--Federal Appropriation . . . . .	\$2,065,000
34	General Fund--Private/Local Appropriation . . . . .	\$1,056,000
35	Washington State Heritage Center Account--State	
36	Appropriation . . . . .	(( <del>\$2,213,000</del> ))

1 \$2,186,000  
2 TOTAL APPROPRIATION . . . . . (~~(\$5,334,000)~~)  
3 \$5,307,000

4 **Sec. 619.** 2011 2nd sp.s. c 9 s 616 (uncodified) is amended to read  
5 as follows:

6 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**  
7 Washington State Heritage Center Account--State  
8 Appropriation . . . . . (~~(\$4,241,000)~~)  
9 \$4,207,000

10 **Sec. 620.** 2011 2nd sp.s. c 9 s 617 (uncodified) is amended to read  
11 as follows:

12 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**  
13 Washington State Heritage Center Account--State  
14 Appropriation . . . . . (~~(\$2,962,000)~~)  
15 \$2,959,000

(End of part)

PART VII

SPECIAL APPROPRIATIONS

Sec. 701. 2011 2nd sp.s. c 9 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2012), General Fund--State Appropriation (FY 2013), State Building Construction Account--State Appropriation, Columbia River Basin Water Supply Development Account--State Appropriation, Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation, State Taxable Building Construction Account--State Appropriation, Gardner-Evans Higher Education Construction Account--State Appropriation, Debt-Limit Reimbursable Bond Retire Account--State Appropriation, and TOTAL APPROPRIATION.

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.

Sec. 702. 2011 2nd sp.s. c 9 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING

1 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**  
2 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

3	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$27,516,000</del> ))
4		<u>\$27,400,000</u>
5	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$30,758,000</del> ))
6		<u>\$30,572,000</u>
7	Nondebt-Limit Reimbursable Bond Retirement	
8	Account--State Appropriation . . . . .	\$140,128,000
9	TOTAL APPROPRIATION . . . . .	(( <del>\$198,402,000</del> ))
10		<u>\$198,100,000</u>

11 The appropriations in this section are subject to the following  
12 conditions and limitations: The general fund appropriation is for  
13 expenditure into the nondebt-limit general fund bond retirement  
14 account. The entire general fund--state appropriation for fiscal year  
15 2012 shall be expended into the nondebt-limit general fund bond  
16 retirement account by June 30, 2012.

17 NEW SECTION. **Sec. 703.** A new section is added to 2011 1st sp.s.  
18 c 50 (uncodified) to read as follows:

19 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**  
20 **BOND REGISTRATION AND TRANSFER CHARGES: FOR REVENUE BONDS**

21	Environmental Cleanup and Restoration Bond Retirement	
22	Account--State Appropriation . . . . .	\$12,770,000
23	Environmental Cleanup and Restoration Bond Proceeds	
24	Account--State Appropriation . . . . .	\$1,500,000
25	TOTAL APPROPRIATION . . . . .	\$14,270,000

26 **Sec. 704.** 2011 2nd sp.s. c 9 s 703 (uncodified) is amended to read  
27 as follows:

28 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**  
29 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

30	General Fund--State Appropriation (FY 2012) . . . . .	\$1,357,000
31	General Fund--State Appropriation (FY 2013) . . . . .	\$1,357,000
32	State Building Construction Account--State	
33	Appropriation . . . . .	\$356,000
34	Columbia River Basin Water Supply Development	
35	Account--State Appropriation . . . . .	\$21,000
36	Hood Canal Aquatic Rehabilitation Bond Account--State	

1	Appropriation . . . . .	\$1,000
2	State Taxable Building Construction Account--State	
3	Appropriation . . . . .	\$25,000
4	Gardner-Evans Higher Education Construction	
5	Account--State Appropriation . . . . .	\$2,000
6	<u>Environmental Cleanup and Restoration Bond Proceeds</u>	
7	<u>Account--State Appropriation . . . . .</u>	<u>\$500,000</u>
8	TOTAL APPROPRIATION . . . . .	(( <del>\$3,119,000</del> ))
9		<u>\$3,619,000</u>

10       **Sec. 705.** 2011 1st sp.s. c 50 s 715 (uncodified) is amended to  
11 read as follows:

12       **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**  
13       **COSTS**

14	General Fund--State Appropriation (FY 2012) . . . . .	(( <del>\$591,000</del> ))
15		<u>\$1,102,000</u>

16       The appropriation in this section is subject to the following  
17 conditions and limitations: The director of financial management shall  
18 distribute ((~~\$338,000~~)) \$501,000 to Franklin county, \$128,000 to  
19 Jefferson county, ((and)) \$125,000 to Okanogan county, \$161,000 to  
20 Yakima county, and \$187,000 to King county for extraordinary criminal  
21 justice costs.

22       NEW SECTION.   **Sec. 706.** 2011 2nd sp.s. c 9 s 705 (uncodified) is  
23 repealed.

24       NEW SECTION.   **Sec. 707.** 2011 2nd sp.s. c 9 s 707 (uncodified) is  
25 repealed.

26       NEW SECTION.   **Sec. 708.** A new section is added to 2011 1st sp.s.  
27 c 50 (uncodified) to read as follows:

28       **FOR THE DEPARTMENT OF NATURAL RESOURCES--DISTRIBUTION OF EXCESS FUNDS**  
29       **FROM THE FOREST DEVELOPMENT ACCOUNT**

30	Forest Development Account--State Appropriation . . . . .	\$10,000,000
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31       The appropriation in this section is provided solely for  
32 distribution of state forest land revenues to taxing authorities that  
33 received such revenue from fiscal year 2002 through fiscal year 2011  
34 and is subject to the following conditions and limitations:

1 (1) Within fifteen days of the effective date of this section, the  
2 department shall transmit funds in the amounts specified in subsection  
3 (3) of this section to the county treasurers of the counties receiving  
4 the funds.

5 (2) The county treasurers of the counties listed in this section  
6 shall distribute funds received from this appropriation to taxing  
7 authorities in proportion to the state forest transfer land funds  
8 distributed to the taxing authorities based on information available  
9 for the fiscal years 2002 through 2011. Funds to be credited to the  
10 state of Washington and funds credited to school district general  
11 levies shall be remitted to the state of Washington within thirty days  
12 after the effective date of this section for deposit into the state  
13 general fund.

14 (3) Funds shall be distributed in the following amounts:

15	Clallam	\$848,854
16	Clark	\$630,368
17	Cowlitz	\$418,159
18	Grays Harbor	\$266,365
19	Jefferson	\$239,722
20	King	\$328,725
21	Kitsap	\$73,839
22	Klickitat	\$197,968
23	Lewis	\$887,679
24	Mason	\$425,935
25	Okanogan	\$4
26	Pacific	\$352,540
27	Pierce	\$334,179
28	Skagit	\$1,534,497
29	Skamania	\$66,648
30	Snohomish	\$1,565,549
31	Stevens	\$6,709
32	Thurston	\$783,735
33	Wahkiakum	\$285,339
34	Whatcom	\$753,186
35	Total	\$10,000,000

1        NEW SECTION.    **Sec. 709.**    A new section is added to 2011 1st sp.s.  
2    c 50 (uncodified) to read as follows:

3    **FOR SUNDRY CLAIMS**

4        The following sums, or so much thereof as may be necessary, are  
5    appropriated from the general fund, unless otherwise indicated, for  
6    relief of various individuals, firms, and corporations for sundry  
7    claims. These appropriations are to be disbursed on vouchers approved  
8    by the director of financial management, except as otherwise provided,  
9    for reimbursement of criminal defendants acquitted on the basis of  
10   self-defense, pursuant to RCW 9A.16.110, as follows:

- 11        (1) Clint L. Powell, Jr., claim number 99970048 . . . . . \$58,155.10
- 12        (2) Chance L. Hawkins, claim number 99970049 . . . . . \$28,838.95
- 13        (3) Edgar L. Hawkins, claim number 99970050 . . . . . \$25,507.00
- 14        (4) James Abbott, claim number 99970051 . . . . . \$9,880.00
- 15        (5) Richard Frisk, claim number 99970052 . . . . . \$32,788.50
- 16        (6) Brian Barnd-Spjut, claim number 99970053 . . . . . \$122,821.79

17        NEW SECTION.    **Sec. 710.**    A new section is added to 2011 1st sp.s.  
18    c 50 (uncodified) to read as follows:

19    **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION FUNDING STUDY**

20	General Fund--State Appropriation (FY 2012) . . . . .	\$25,000
21	General Fund--State Appropriation (FY 2013) . . . . .	\$225,000
22	TOTAL APPROPRIATION . . . . .	\$250,000

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

- 25        (1) The entire appropriation is provided solely for the task force  
26    and study established and directed under this section.
- 27        (2) The recent McCleary decision by the state Supreme Court found  
28    that the legislature is not meeting its paramount duty to adequately  
29    fund K-12 basic education. The court also found that recent  
30    legislative efforts to adjust the basic education definition and  
31    funding models using the prototypical school model will meet the  
32    paramount duty if implemented and fully funded in a timely manner. The  
33    joint task force established in this section is created to help the  
34    legislature meet the requirements of the McCleary decision by  
35    recommending options for a permanent funding source.
- 36        (3)(a) The joint task force on education funding is established.  
37    The task force shall review the McCleary decision and make



1 recommendations on how the legislature can meet the requirements  
2 outlined in that decision. In particular, the task force shall develop  
3 a proposal for a reliable and dependable revenue source to support  
4 basic education programs, including at a minimum, implementation of the  
5 programmatic enhancements required in chapter 236, Laws of 2010,  
6 including full day kindergarten; reduced K-3 class size; increased  
7 allocations for maintenance, supplies, and operating costs; and a new  
8 pupil transportation formula. The task force shall also coordinate  
9 with the work of the quality education council in developing a timeline  
10 and financing plan for full implementation of the career and college  
11 ready graduation requirements and the increased instructional hours  
12 requirement contained in chapter 548, Laws of 2009. The task force  
13 shall submit a final report to the legislature by December 15, 2012.

14 (b) The joint task force on education funding shall consist of  
15 twenty-one members:

16 (i) Twelve legislators, with three members from each of the two  
17 largest caucuses of the senate appointed by the president of the senate  
18 and three members from each of the two largest caucuses of the house of  
19 representatives appointed by the speaker of the house of  
20 representatives;

21 (ii) A representative of the governor's office or the office of  
22 financial management, designated by the governor;

23 (iii) The superintendent of public instruction or the  
24 superintendent's designee;

25 (iv) The director of the department of early learning or the  
26 director's designee;

27 (v) The executive director of the higher education coordinating  
28 committee or its successor agency or the executive director's designee;

29 (vi) The executive director of the state board of education or the  
30 executive director's designee; and

31 (vii) Four individuals, to be appointed by the governor, two that  
32 have significant experience with Washington education finance issues,  
33 including the use and application of the current basic education  
34 formulas and early learning program funding and one each to represent  
35 the business and labor communities. Each of the two largest caucuses  
36 of the house of representatives and the senate may submit names to the  
37 governor for consideration.

1 (vii) The task force shall be cochaired by one member from the  
2 house of representatives and one member from the senate. If the house  
3 of representatives and senate members cannot agree on their respective  
4 cochair, the governor shall appoint the cochairs.

5 (d) The task force may recommend multiple options, but shall  
6 recommend one preferred alternative, including an outline of necessary  
7 implementing legislation. Should the task force recommend an option to  
8 implement the McCleary decision with no new revenues, the task force  
9 must identify what areas already in the budget would be eliminated or  
10 reduced. The task force shall also consider how investments in basic  
11 education and quality early learning for at-risk students, if  
12 sustained, may lead to savings to the state in other areas of  
13 government service, and how such savings over time may be incorporated  
14 as one part of a long-term financing plan for basic education.

15 (e) The task force shall be staffed by the house of representatives  
16 office of program research and senate office of committee services,  
17 with assistance from the legislative evaluation and accountability  
18 program committee, the office of the superintendent of public  
19 instruction, the department of early learning, the office of financial  
20 management, and the Washington state institute for public policy.

21 (4)(a) The recommendations should provide maximum transparency of  
22 the state's educational funding system in order to better help parents,  
23 citizens, and educational personnel in Washington understand how the  
24 education system is funded.

25 (b) The funding structure options should be linked to  
26 accountability for student outcomes, performance, and preparedness for  
27 the subsequent educational level.

28 NEW SECTION. **Sec. 711.** A new section is added to 2011 1st sp.s.  
29 c 50 (uncodified) to read as follows:

30 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--LIFE SCIENCES DISCOVERY FUND**  
31 General Fund--State Appropriation (FY 2013) . . . . . \$4,000,000

32 The appropriation in this section is subject to the following  
33 conditions and limitations: The general fund appropriation is for  
34 expenditure into the life sciences discovery fund.

35 NEW SECTION. **Sec. 712.** A new section is added to 2011 1st sp.s.  
36 c 50 (uncodified) to read as follows:

1 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--INCOME AND TAX BURDEN STUDY**

2 General Fund--State Appropriation (FY 2013) . . . . . \$50,000

3 The appropriation in this section is subject to the following  
4 conditions and limitations:

5 (1) The entire appropriation is provided solely for conducting the  
6 study required in this section.

7 (2) (a) The citizens of Washington state deserve better information  
8 on the disparate impacts of the economic and taxing decisions of state  
9 and local governments.

10 (b) The office of financial management will report to the  
11 appropriate fiscal committees in both legislative chambers on the  
12 income and tax burden of Washingtonians.

13 (c) The report must be delivered by September 1, 2012, and must  
14 include:

15 (i) Estimates of the income and the wealth distribution of  
16 Washingtonians by income quintile, or, if possible, by decile;

17 (ii) The combined state/local tax burden of Washingtonians by  
18 income quintile, or, if possible, decile;

19 (iii) The tax burden of Washingtonians using longitudinal data:

20 (A) As a percentage of aggregate income;

21 (B) Using per capita data; and

22 (C) Using tax burden per \$1,000 of income;

23 (iv) The amount of state and local government revenue combined in  
24 Washington state as a share of the gross state product using  
25 longitudinal data; and

26 (v) Year-over-year estimates of real income gains (or losses) by  
27 income quintile, or, if possible, decile.

28 (d) Where feasible, the office of financial management must use  
29 established state and federal data sets to compile this report. The  
30 office of financial management must make estimates or projections based  
31 on historic data to fill in years if actual data is not yet available.

32 NEW SECTION. **Sec. 713.** A new section is added to 2011 1st sp.s.  
33 c 50 (uncodified) to read as follows:

34 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--DISASTER RESPONSE ACCOUNT**

35 General Fund--State Appropriation (FY 2013) . . . . . \$1,150,000

36 The appropriation in this section is subject to the following

1 conditions and limitations: The appropriation is provided solely for  
2 expenditure into the disaster response account.

3 NEW SECTION. **Sec. 714.** A new section is added to 2011 1st sp.s.  
4 c 50 (uncodified) to read as follows:

5 **FOR THE SAVINGS INCENTIVE ACCOUNT AND EDUCATION SAVINGS ACCOUNT**

6 For fiscal years 2012 and 2013, no appropriations are made for  
7 deposit to the savings incentive account or the education savings  
8 account under RCW 43.79.460 and 43.79.465.

9 The following acts or parts of acts are hereby repealed:

- 10 (1) 2011 1st sp.s. c 50 s 709 (uncodified); and  
11 (2) 2011 1st sp.s. c 50 s 710 (uncodified).

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2011 1st sp.s. c 50 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 . . . . . ((~~\$8,368,000~~))
\$8,289,000

General Fund Appropriation for public utility district excise tax distributions . . . . . ((~~\$49,418,000~~))
\$44,078,000

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~~))
\$58,229,000

County Criminal Justice Assistance Appropriation . . . . . ((~~\$69,801,000~~))
\$69,566,000

Municipal Criminal Justice Assistance Appropriation . . . . . ((~~\$26,950,000~~))
\$26,843,000

City-County Assistance Account Appropriation for local government financial assistance distribution . . . . . ((~~\$16,589,000~~))
\$12,159,000

Liquor Excise Tax Account Appropriation for liquor

1	excise tax distribution . . . . .	(( <del>\$52,152,000</del> ))
2		<u>\$25,617,000</u>
3	Streamlined Sales and Use Tax Mitigation Account	
4	Appropriation for distribution to local taxing	
5	jurisdictions to mitigate the unintended revenue	
6	redistribution effect of the sourcing law	
7	changes . . . . .	(( <del>\$49,635,000</del> ))
8		<u>\$49,309,000</u>
9	Columbia River Water Delivery Account Appropriation for	
10	the Confederated Tribes of the Colville	
11	Reservation . . . . .	(( <del>\$7,441,000</del> ))
12		<u>\$7,478,000</u>
13	Columbia River Water Delivery Account Appropriation for	
14	the Spokane Tribe of Indians . . . . .	(( <del>\$4,748,000</del> ))
15		<u>\$4,794,000</u>
16	Liquor Revolving Account Appropriation for liquor	
17	profits distribution . . . . .	(( <del>\$69,318,000</del> ))
18		<u>\$85,132,000</u>
19	TOTAL APPROPRIATION . . . . .	(( <del>\$411,301,000</del> ))
20		<u>\$407,953,000</u>

21 The total expenditures from the state treasury under the  
22 appropriations in this section shall not exceed the funds available  
23 under statutory distributions for the stated purposes.

24 **Sec. 802.** 2011 1st sp.s. c 50 s 802 (uncodified) is amended to  
25 read as follows:

26 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**  
27 **ACCOUNT**

28	Impaired Driver Safety Account Appropriation . . . . .	(( <del>\$2,501,000</del> ))
29		<u>\$2,439,000</u>

30 The appropriation in this section is subject to the following  
31 conditions and limitations: The amount appropriated in this section  
32 shall be distributed quarterly during the 2011-2013 fiscal biennium in  
33 accordance with RCW 82.14.310. This funding is provided to counties  
34 for the costs of implementing criminal justice legislation including,  
35 but not limited to: Chapter 206, Laws of 1998 (drunk driving  
36 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,  
37 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998

1 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock  
2 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,  
3 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication  
4 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter  
5 215, Laws of 1998 (DUI provisions).

6 **Sec. 803.** 2011 1st sp.s. c 50 s 803 (uncodified) is amended to  
7 read as follows:

8 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**  
9 Impaired Driver Safety Account Appropriation . . . . . (~~(\$1,666,000)~~)  
10 \$1,626,000

11 The appropriation in this section is subject to the following  
12 conditions and limitations: The amount appropriated in this section  
13 shall be distributed quarterly during the 2011-2013 biennium to all  
14 cities ratably based on population as last determined by the office of  
15 financial management. The distributions to any city that substantially  
16 decriminalizes or repeals its criminal code after July 1, 1990, and  
17 that does not reimburse the county for costs associated with criminal  
18 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in  
19 which the city is located. This funding is provided to cities for the  
20 costs of implementing criminal justice legislation including, but not  
21 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);  
22 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998  
23 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license  
24 suspension); chapter 210, Laws of 1998 (ignition interlock violations);  
25 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998  
26 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels  
27 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,  
28 Laws of 1998 (DUI provisions).

29 **Sec. 804.** 2011 2nd sp.s. c 9 s 801 (uncodified) is amended to read  
30 as follows:

31 **FOR THE STATE TREASURER--TRANSFERS**  
32 State Treasurer's Service Account: For transfer to  
33 the state general fund, \$16,300,000  
34 for fiscal year 2012 and (~~(\$21,300,000)~~)  
35 \$24,800,000 for fiscal year 2013 . . . . . (~~(\$37,600,000)~~)  
36 \$41,100,000

1 Waste Reduction, Recycling, and Litter Control  
2 Account: For transfer to the state general  
3 fund, (~~(\$3,500,000)~~) \$4,847,000 for fiscal year  
4 2012 and (~~(\$3,500,000)~~) \$4,847,000 for fiscal year  
5 2013 . . . . . (~~(\$7,000,000)~~)  
6 \$9,694,000  
7 Aquatics Lands Enhancement Account: For transfer to  
8 the state general fund, \$3,500,000 for fiscal  
9 year 2012 and \$3,500,000 for fiscal year 2013 . . . . . \$7,000,000  
10 Savings Incentive Account: For transfer to the state  
11 general fund, \$44,618,000 for fiscal year 2012 . . . . . \$44,618,000  
12 Distinguished Professorship Trust Fund: For transfer to  
13 the state general fund for fiscal year 2012, an amount  
14 not to exceed the actual cash balance of the fund . . . . \$3,024,000  
15 Washington Graduate Fellowship Trust Fund: For transfer  
16 to the state general fund for fiscal year 2012, an  
17 amount not to exceed the actual cash balance of  
18 the fund . . . . . \$1,028,000  
19 College Faculty Awards Trust Fund: For transfer  
20 to the state general fund for fiscal year 2012, an amount  
21 not to exceed the actual cash balance of the fund . . . . \$1,996,000  
22 Data Processing Revolving Account: For transfer  
23 to the state general fund, \$5,960,000 for fiscal  
24 year 2012 . . . . . \$5,960,000  
25 Drinking Water Assistance Account: For transfer to  
26 the drinking water assistance repayment account . . . . \$38,000,000  
27 Economic Development Strategic Reserve Account: For  
28 transfer to the state general fund, \$2,100,000  
29 for fiscal year 2012 and \$2,100,000 for fiscal  
30 year 2013 . . . . . \$4,200,000  
31 General Fund: For transfer to the streamlined sales  
32 and use tax account, (~~(\$24,846,000)~~) \$24,520,000  
33 for fiscal year 2012 and \$24,789,000 for fiscal  
34 year 2013 . . . . . (~~(\$49,635,000)~~)  
35 \$49,309,000  
36 Public Works Assistance Account: For transfer to the  
37 water pollution control revolving account,  
38 \$7,750,000 for fiscal year 2012 and \$7,750,000 for



1 fiscal year 2013 . . . . . \$15,500,000  
2 The Charitable, Educational, Penal, and Reformatory  
3 Institutions Account: For transfer to the state  
4 general fund, \$4,500,000 for fiscal year 2012 and  
5 \$4,500,000 for fiscal year 2013 . . . . . \$9,000,000  
6 Thurston County Capital Facilities Account: For  
7 transfer to the state general fund, \$4,000,000  
8 for fiscal year 2012 and \$4,000,000 for fiscal  
9 year 2013 . . . . . \$8,000,000  
10 Public Works Assistance Account: For transfer to the  
11 drinking water assistance account, \$10,000,000 for  
12 fiscal year 2012 and \$5,000,000 for fiscal year  
13 2013 . . . . . \$15,000,000  
14 Liquor Control Board Construction and Maintenance  
15 Account: For transfer to the state general fund,  
16 \$500,000 for fiscal year 2012 (~~and \$500,000 for~~  
17 ~~fiscal year 2013~~)) . . . . . ((~~\$1,000,000~~))  
18 \$500,000  
19 Education Savings Account: For transfer to the state  
20 general fund, \$54,431,000 for fiscal  
21 year 2012 (~~and \$22,500,000 for fiscal year~~  
22 ~~2013~~)) . . . . . ((~~\$76,931,000~~))  
23 \$54,431,000  
24 Department of Retirement Systems Expense Account:  
25 For transfer to the state general fund, (~~(\$250,000)~~)  
26 \$2,330,000 for fiscal year 2012 and (~~(\$250,000)~~)  
27 \$2,330,000 for fiscal year 2013 . . . . . ((~~\$500,000~~))  
28 \$4,660,000  
29 Education Construction Account: For transfer to the  
30 state general fund, \$102,000,000 for fiscal year  
31 2012 and \$102,000,000 for fiscal year 2013 . . . . . \$204,000,000  
32 Public Works Assistance Account: For transfer to the  
33 state general fund, \$25,000,000 for fiscal year 2012  
34 and \$25,000,000 for fiscal year 2013 . . . . . \$50,000,000  
35 Foster Care Endowed Scholarship Trust Fund: For transfer  
36 to the state general fund, \$200,000 for fiscal year  
37 2012 and \$200,000 for fiscal year 2013 . . . . . \$400,000  
38 Affordable Housing For All Account: For transfer to

1 the home security fund, \$1,000,000 for fiscal year  
2 2012 and \$1,000,000 for fiscal year 2013 . . . . . \$2,000,000

3 Tobacco Settlement Account: For transfer to the state  
4 general fund, in an amount not to exceed the actual  
5 amount of the annual base payment to the tobacco  
6 settlement account . . . . . \$158,205,000

7 Tobacco Settlement Account: For transfer to the basic  
8 health plan stabilization account from the amounts  
9 deposited in the account that are attributable to the  
10 annual strategic contribution payment received in  
11 fiscal year 2012 . . . . . \$22,000,000

12 Tobacco Settlement Account: For transfer to the basic  
13 health plan stabilization account from the amounts  
14 deposited in the account that are attributable to the  
15 annual strategic contribution payment received in  
16 fiscal year 2013 . . . . . \$22,000,000

17 Tobacco Settlement Account: For transfer to the life  
18 sciences discovery fund, in an amount not to exceed  
19 the actual remaining amount of the annual strategic  
20 contribution payment to the tobacco settlement account  
21 for fiscal year 2012 . . . . . \$6,000,000

22 Tobacco Settlement Account: For transfer to the life  
23 sciences discovery fund, in an amount not to exceed  
24 the actual remaining amount of the annual strategic  
25 contribution payment to the tobacco settlement account  
26 for fiscal year 2013 . . . . . \$6,000,000

27 The transfer to the life sciences discovery fund is subject to the  
28 following conditions: All new grants awarded during the 2011-2013  
29 fiscal biennium shall support and accelerate the commercialization of  
30 an identifiable product.

31 Financial Services Regulation Fund: For transfer to  
32 the state general fund, \$4,000,000 for fiscal  
33 year 2012 . . . . . \$4,000,000

34 State Nursery Revolving Account: For transfer to the  
35 state general fund, \$250,000 for fiscal year 2012 and  
36 \$250,000 for fiscal year 2013 . . . . . \$500,000

37 Aquatic Lands Enhancement Account: For transfer to  
38 the marine resources stewardship trust account,

1        \$2,100,000 for fiscal year 2013 . . . . . \$2,100,000  
2        Coastal Protection Account: For transfer to the state  
3        general fund, \$500,000 for fiscal year 2012 and  
4        \$500,000 for fiscal year 2013 . . . . . \$1,000,000  
5        Flood Control Assistance Account: For transfer to the  
6        state general fund, \$500,000 for fiscal year 2012  
7        and \$500,000 for fiscal year 2013 . . . . . \$1,000,000  
8        Washington State Heritage Center Account: For transfer  
9        to the state general fund, \$2,000,000 for fiscal  
10       year 2013 . . . . . \$2,000,000  
11       Public Works Assistance Account: For transfer to the  
12       state general fund for fiscal year 2013, if  
13       legislation amending RCW 82.18.040 to deposit solid  
14       waste tax revenues into the state general fund  
15       rather than the public works assistance account is  
16       not enacted by June 30, 2012 . . . . . \$70,658,000

(End of part)

PART IX  
MISCELLANEOUS

1  
2  
3       **Sec. 901.** 2011 1st sp.s. c 50 s 910 (uncodified) is amended to  
4 read as follows:

5 **COLLECTIVE BARGAINING AGREEMENT FOR FISCAL YEAR 2012--TERMS AND**  
6 **CONDITIONS**

7       For fiscal year 2012, no agreements have been reached between the  
8 governor and the following unions: Washington public employees  
9 association, Washington public employees association higher education  
10 community college coalition, Washington federation of state employees  
11 higher education community college coalition, Washington federation of  
12 state employees Central Washington University, Washington federation of  
13 state employees Western Washington University, Washington federation of  
14 state employees The Evergreen State College, and public school  
15 employees Western Washington University, under the provisions of  
16 chapter 41.80 RCW (~~((for the 2011-2013 biennium))~~) for fiscal year 2012.

17 Appropriations in this act provide funding to continue the terms and  
18 conditions of the 2009-2011 general government and higher education  
19 agreements negotiated by the office of financial management's labor  
20 relations office under the provisions of chapter 41.80 RCW for fiscal  
21 year 2012. For fiscal year 2012, appropriations have been reduced in  
22 an amount equal to a 3 percent salary reduction for all represented  
23 employees whose monthly full-time equivalent salary is \$2,500 or more  
24 per month. This reduction will be implemented according to the terms  
25 and conditions of the 2009-2011 agreements. (~~((For fiscal year 2013,~~  
26 ~~funding is reduced to reflect a 3.0 percent temporary salary reduction~~  
27 ~~for all employees whose monthly full-time equivalent salary is \$2,500~~  
28 ~~or more per month through June 29, 2013. Effective June 30, 2013, the~~  
29 ~~salary schedules effective July 1, 2009, through June 30, 2011, will be~~  
30 ~~reinstated. For employees entitled to leave, temporary salary~~  
31 ~~reduction leave is granted for fiscal year 2013. These changes will be~~  
32 ~~implemented according to law.))~~)

33       NEW SECTION. **Sec. 902.** A new section is added to 2011 1st sp.s.  
34 c 50 (uncodified) to read as follows:

1 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WPEA, WPEA CC**  
2 **COALITION, WFSE CC COALITION, WFSE CWU, WFSE TESC**

3 Agreements have been reached between the governor and the following  
4 unions: Washington public employees association, Washington public  
5 employees association higher education community college coalition,  
6 Washington federation of state employees higher education community  
7 college coalition, Washington federation of state employees Central  
8 Washington University, and Washington federation of state employees The  
9 Evergreen State College, under the provisions of chapter 41.80 RCW for  
10 fiscal year 2013. Funding is reduced to reflect a 3.0 percent  
11 temporary salary reduction for all employees whose monthly full-time  
12 equivalent salary is \$2,500 or more per month through June 29, 2013.  
13 Effective June 30, 2013, the salary schedules effective July 1, 2009,  
14 through June 30, 2011, will be reinstated. For employees entitled to  
15 leave, temporary salary reduction leave is granted for fiscal year  
16 2013.

17 NEW SECTION. **Sec. 903.** A new section is added to 2011 1st sp.s.  
18 c 50 (uncodified) to read as follows:

19 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--YAKIMA VALLEY**  
20 **COMMUNITY COLLEGE--WASHINGTON PUBLIC EMPLOYEES ASSOCIATION**

21 An agreement has been reached between Yakima Valley Community  
22 College and Washington public employees association under the  
23 provisions of chapter 41.80 RCW for fiscal year 2013. The agreement is  
24 consistent with the funding reduction provided in the 2011-2013 omnibus  
25 appropriations act, which reflected a 3.0 percent temporary salary  
26 reduction to all employees whose monthly full-time equivalent salary is  
27 \$2,500 or more per month through June 29, 2013.

28 NEW SECTION. **Sec. 904.** A new section is added to 2011 1st sp.s.  
29 c 50 (uncodified) to read as follows:

30 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WESTERN WASHINGTON**  
31 **UNIVERSITY--PUBLIC SCHOOL EMPLOYEES OF WASHINGTON**

32 An agreement has been reached between Western Washington University  
33 and the Washington public school employees of Washington bargaining  
34 units D and PTE under the provisions of chapter 41.80 RCW for fiscal  
35 year 2013. The agreement is consistent with the funding reduction  
36 provided in the 2011-2013 omnibus appropriations act, which reflected

1 a 3.0 percent temporary salary reduction to all employees whose monthly  
2 full-time equivalent salary is \$2,500 or more per month through June  
3 29, 2013. The reduction will be implemented according to the terms and  
4 conditions of this agreement.

5 NEW SECTION. **Sec. 905.** A new section is added to 2011 1st sp.s.  
6 c 50 (uncodified) to read as follows:

7 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WESTERN WASHINGTON**  
8 **UNIVERSITY--WFSE**

9 An agreement has been reached between Western Washington University  
10 and the Washington federation of state employees bargaining units A, B,  
11 and E under the provisions of chapter 41.80 RCW for fiscal year 2013.  
12 The agreement is consistent with the funding reduction provided in the  
13 2011-2013 omnibus appropriations act, which reflected a 3.0 percent  
14 temporary salary reduction to all employees whose monthly full-time  
15 equivalent salary is \$2,500 or more per month through June 29, 2013.  
16 The reduction will be implemented according to the terms and conditions  
17 of this agreement.

18 NEW SECTION. **Sec. 906.** A new section is added to 2011 1st sp.s.  
19 c 50 (uncodified) to read as follows:

20 **COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--EASTERN WASHINGTON**  
21 **UNIVERSITY--WFSE**

22 An agreement has been reached between Eastern Washington University  
23 and the Washington federation of state employees under the provisions  
24 of chapter 41.80 RCW for fiscal year 2013. The agreement is consistent  
25 with the funding reduction provided in the 2011-2013 omnibus  
26 appropriations act, which reflected a 3.0 percent temporary salary  
27 reduction to all employees whose monthly full-time equivalent salary is  
28 \$2,500 or more per month through June 29, 2013. The reduction will be  
29 implemented according to the terms and conditions of this agreement.

30 **Sec. 907.** 2011 1st sp.s. c 50 s 920 (uncodified) is amended to  
31 read as follows:

32 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

33 Appropriations for state agencies in this act are sufficient for  
34 nonrepresented state employee health benefits for state agencies,

1 including institutions of higher education, and are subject to the  
2 following conditions and limitations:

3 (1)(a) The monthly employer funding rate for insurance benefit  
4 premiums, public employees' benefits board administration, and the  
5 uniform medical plan, shall not exceed \$850 per eligible employee for  
6 fiscal year 2012. For fiscal year 2013 the monthly employer funding  
7 rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

8 (b) In order to achieve the level of funding provided for health  
9 benefits, the public employees' benefits board shall require any or all  
10 of the following: Employee premium copayments, increases in point-of-  
11 service cost sharing, the implementation of managed competition, or  
12 make other changes to benefits consistent with RCW 41.05.065.

13 (c) The health care authority shall deposit any moneys received on  
14 behalf of the uniform medical plan as a result of rebates on  
15 prescription drugs, audits of hospitals, subrogation payments, or any  
16 other moneys recovered as a result of prior uniform medical plan claims  
17 payments, into the public employees' and retirees' insurance account to  
18 be used for insurance benefits. Such receipts shall not be used for  
19 administrative expenditures.

20 (2) The health care authority, subject to the approval of the  
21 public employees' benefits board, shall provide subsidies for health  
22 benefit premiums to eligible retired or disabled public employees and  
23 school district employees who are eligible for medicare, pursuant to  
24 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be  
25 \$150.00 per month.

26 (3) Technical colleges, school districts, and educational service  
27 districts shall remit to the health care authority for deposit into the  
28 public employees' and retirees' insurance account established in RCW  
29 41.05.120 the following amounts:

30 (a) For each full-time employee, \$66.01 per month beginning  
31 September 1, 2011, and (~~(\$67.91)~~) \$65.17 beginning September 1, 2012;

32 (b) For each part-time employee, who at the time of the remittance  
33 is employed in an eligible position as defined in RCW 41.32.010 or  
34 41.40.010 and is eligible for employer fringe benefit contributions for  
35 basic benefits, \$66.01 each month beginning September 1, 2011, and  
36 (~~(\$67.91)~~) \$65.17 beginning September 1, 2012, prorated by the  
37 proportion of employer fringe benefit contributions for a full-time  
38 employee that the part-time employee receives. The remittance

1 requirements specified in this subsection shall not apply to employees  
2 of a technical college, school district, or educational service  
3 district who purchase insurance benefits through contracts with the  
4 health care authority.

5 **Sec. 908.** 2011 1st sp.s. c 50 s 921 (uncodified) is amended to  
6 read as follows:

7 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**  
8 **BENEFITS**

9 Appropriations for state agencies in this act are sufficient for  
10 represented employees outside the super coalition for health benefits,  
11 and are subject to the following conditions and limitations:

12 (1)(a) The monthly employer funding rate for insurance benefit  
13 premiums, public employees' benefits board administration, and the  
14 uniform medical plan, shall not exceed \$850 per eligible employee for  
15 fiscal year 2012. For fiscal year 2013 the monthly employer funding  
16 rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

17 (b) In order to achieve the level of funding provided for health  
18 benefits, the public employees' benefits board shall require any or all  
19 of the following: Employee premium copayments, increases in point-of-  
20 service cost sharing, the implementation of managed competition, or  
21 make other changes to benefits consistent with RCW 41.05.065.

22 (c) The health care authority shall deposit any moneys received on  
23 behalf of the uniform medical plan as a result of rebates on  
24 prescription drugs, audits of hospitals, subrogation payments, or any  
25 other moneys recovered as a result of prior uniform medical plan claims  
26 payments, into the public employees' and retirees' insurance account to  
27 be used for insurance benefits. Such receipts shall not be used for  
28 administrative expenditures.

29 (2) The health care authority, subject to the approval of the  
30 public employees' benefits board, shall provide subsidies for health  
31 benefit premiums to eligible retired or disabled public employees and  
32 school district employees who are eligible for medicare, pursuant to  
33 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be  
34 \$150.00 per month.

35 (3) Technical colleges, school districts, and educational service  
36 districts shall remit to the health care authority for deposit into the



1 public employees' and retirees' insurance account established in RCW  
2 41.05.120 the following amounts:

3 (a) For each full-time employee, \$66.01 per month beginning  
4 September 1, 2011, and (~~(\$67.91)~~) \$65.17 beginning September 1, 2012;

5 (b) For each part-time employee, who at the time of the remittance  
6 is employed in an eligible position as defined in RCW 41.32.010 or  
7 41.40.010 and is eligible for employer fringe benefit contributions for  
8 basic benefits, \$66.01 each month beginning September 1, 2011, and  
9 (~~(\$67.91)~~) \$65.17 beginning September 1, 2012, prorated by the  
10 proportion of employer fringe benefit contributions for a full-time  
11 employee that the part-time employee receives. The remittance  
12 requirements specified in this subsection shall not apply to employees  
13 of a technical college, school district, or educational service  
14 district who purchase insurance benefits through contracts with the  
15 health care authority.

16 **Sec. 909.** 2011 1st sp.s. c 50 s 922 (uncodified) is amended to  
17 read as follows:

18 **COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION--INSURANCE**  
19 **BENEFITS**

20 The collective bargaining agreement negotiated with the super  
21 coalition under chapter 41.80 RCW includes employer premiums at 85  
22 percent of the total weighted average of the projected health care  
23 premiums across all plans and tiers. Appropriations in this act for  
24 state agencies, including institutions of higher education are  
25 sufficient to fund state employees health benefits for employees  
26 represented by the super coalition on health benefits, and are subject  
27 to the following conditions and limitations:

28 (1)(a) The monthly employer funding rate for insurance benefit  
29 premiums, public employees' benefits board administration, and the  
30 uniform medical plan, shall not exceed \$850 per eligible employee for  
31 fiscal year 2012. For fiscal year 2013 the monthly employer funding  
32 rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

33 (b) In order to achieve the level of funding provided for health  
34 benefits, the public employees' benefits board shall require any or all  
35 of the following: Employee premium copayments, increases in point-of-  
36 service cost sharing, the implementation of managed competition, or  
37 make other changes to benefits consistent with RCW 41.05.065.

1 (c) The health care authority shall deposit any moneys received on  
2 behalf of the uniform medical plan as a result of rebates on  
3 prescription drugs, audits of hospitals, subrogation payments, or any  
4 other moneys recovered as a result of prior uniform medical plan claims  
5 payments, into the public employees' and retirees' insurance account to  
6 be used for insurance benefits. Such receipts shall not be used for  
7 administrative expenditures.

8 (2) The health care authority, subject to the approval of the  
9 public employees' benefits board, shall provide subsidies for health  
10 benefit premiums to eligible retired or disabled public employees and  
11 school district employees who are eligible for medicare, pursuant to  
12 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be  
13 \$150.00 per month.

14 NEW SECTION. Sec. 910. A new section is added to 2011 1st sp.s.  
15 c 50 (uncodified) to read as follows:

16 For purposes of RCW 43.88.110(7), any cash deficit in existence at  
17 the close of fiscal year 2012 shall be liquidated over the remainder of  
18 the 2011-2013 fiscal biennium.

19 **Sec. 911.** 2011 1st sp.s. c 7 s 11 (uncodified) is amended to read  
20 as follows:

21 (1) For fiscal years 2012 and 2013 and subject to appropriation,  
22 the department of social and health services shall do a comparative  
23 analysis of the facility-based payment rates calculated on July 1,  
24 ~~((2011))~~ 2012, using the payment methodology defined in chapter 74.46  
25 RCW as modified by sections 1 through 9 of this act, to the  
26 facility-based payment rates in effect June 30, 2010. If the facility-  
27 based payment rate calculated on July 1, ~~((2011))~~ 2012, is smaller than  
28 the facility-based payment rate on June 30, ~~((2011))~~ 2010, the  
29 difference shall be provided to the individual nursing facilities as an  
30 add-on payment per medicaid resident day.

31 (2) During the comparative analysis performed in subsection (1) of  
32 this section, if it is found that the direct care rate for any facility  
33 calculated on March 1, 2012, under sections 1 through 9 ~~((of this act))~~  
34 chapter 7, Laws of 2011 1st sp. sess. is greater than the direct care  
35 rate in effect on June 30, 2010, then the facility shall receive a ten

1 percent direct care rate add-on to compensate that facility for taking  
2 on more acute clients than they have in the past.

3 (3) The rate add-ons provided in subsection (2) of this section are  
4 subject to the reconciliation and settlement process provided in RCW  
5 74.46.022(6).

6 **Sec. 912.** RCW 2.68.020 and 2009 c 564 s 1802 and 2009 c 564 s 918  
7 are each reenacted and amended to read as follows:

8 There is created an account in the custody of the state treasurer  
9 to be known as the judicial information system account. The  
10 administrative office of the courts shall maintain and administer the  
11 account, in which shall be deposited all moneys received from in-state  
12 noncourt users and any out-of-state users of the judicial information  
13 system and moneys as specified in RCW 2.68.040 for the purposes of  
14 providing judicial information system access to noncourt users and  
15 providing an adequate level of automated services to the judiciary.  
16 The legislature shall appropriate the funds in the account for the  
17 purposes of the judicial information system. The account shall be used  
18 for the acquisition of equipment, software, supplies, services, and  
19 other costs incidental to the acquisition, development, operation, and  
20 administration of information services, telecommunications, systems,  
21 software, supplies, and equipment, including the payment of principal  
22 and interest on items paid in installments. (~~During the 2007-2009~~  
23 ~~fiscal biennium, the legislature may transfer from the judicial~~  
24 ~~information system account to the state general fund such amounts as~~  
25 ~~reflect the excess fund balance of the account. During the 2009-2011~~  
26 ~~fiscal biennium, the legislature may transfer from the judicial~~  
27 ~~information system account to the state general fund such amounts as~~  
28 ~~reflect the excess fund balance of the account.)) During the 2011-2013  
29 fiscal biennium, the judicial information systems account may be  
30 appropriated to support the state law library.~~

31 **Sec. 913.** RCW 28B.15.067 and 2011 1st sp.s. c 10 s 3 are each  
32 amended to read as follows:

33 (1) Tuition fees shall be established under the provisions of this  
34 chapter.

35 (2) Beginning in the 2011-12 academic year, reductions or increases  
36 in full-time tuition fees shall be as provided in the omnibus

1 appropriations act for resident undergraduate students at community and  
2 technical colleges. The governing boards of the state universities,  
3 regional universities, and The Evergreen State College; and the state  
4 board for community and technical colleges may reduce or increase full-  
5 time tuition fees for all students other than resident undergraduates,  
6 including nonresident students, summer school students, and students in  
7 other self-supporting degree programs. Percentage increases in full-  
8 time tuition may exceed the fiscal growth factor. Except during the  
9 2011-2013 fiscal biennium, the state board for community and technical  
10 colleges may pilot or institute differential tuition models. The board  
11 may define scale, scope, and rationale for the models.

12 (3)(a) Beginning with the 2011-12 academic year and through the end  
13 of the 2014-15 academic year, the governing boards of the state  
14 universities, the regional universities, and The Evergreen State  
15 College may reduce or increase full-time tuition fees for all students,  
16 including summer school students and students in other self-supporting  
17 degree programs. Percentage increases in full-time tuition fees may  
18 exceed the fiscal growth factor. Except for resident undergraduate  
19 students during the 2011-2013 fiscal biennium, reductions or increases  
20 may be made for all or portions of an institution's programs, campuses,  
21 courses, or students.

22 (b) Prior to reducing or increasing tuition for each academic year,  
23 the governing boards of the state universities, the regional  
24 universities, and The Evergreen State College shall consult with  
25 existing student associations or organizations with student  
26 undergraduate and graduate representatives regarding the impacts of  
27 potential tuition increases. Governing boards shall be required to  
28 provide data regarding the percentage of students receiving financial  
29 aid, the sources of aid, and the percentage of total costs of  
30 attendance paid for by aid.

31 (c) Prior to reducing or increasing tuition for each academic year,  
32 the state board for community and technical college system shall  
33 consult with existing student associations or organizations with  
34 undergraduate student representation regarding the impacts of potential  
35 tuition increases. The state board for community and technical  
36 colleges shall provide data regarding the percentage of students  
37 receiving financial aid, the sources of aid, and the percentage of  
38 total costs of attendance paid for by aid.

1 (4) Beginning with the 2015-16 academic year through the 2018-19  
2 academic year, the governing boards of the state universities, regional  
3 universities, and The Evergreen State College may set tuition for  
4 resident undergraduates as follows:

5 (a) If state funding for a college or university falls below the  
6 state funding provided in the operating budget for fiscal year 2011,  
7 the governing board may increase tuition up to the limits set in (d) of  
8 this subsection, reduce enrollments, or both;

9 (b) If state funding for a college or university is at least at the  
10 level of state funding provided in the operating budget for fiscal year  
11 2011, the governing board may increase tuition up to the limits set in  
12 (d) of this subsection and shall continue to at least maintain the  
13 actual enrollment levels for fiscal year 2011 or increase enrollments  
14 as required in the omnibus appropriations act; (~~and~~)

15 (c) If state funding is increased so that combined with resident  
16 undergraduate tuition the sixtieth percentile of the total per-student  
17 funding at similar public institutions of higher education in the  
18 global challenge states under RCW 28B.15.068 is exceeded, the governing  
19 board shall decrease tuition by the amount needed for the total per-  
20 student funding to be at the sixtieth percentile under RCW 28B.15.068;  
21 and

22 (d) The amount of tuition set by the governing board for an  
23 institution under this subsection (4) may not exceed the sixtieth  
24 percentile of the resident undergraduate tuition of similar public  
25 institutions of higher education in the global challenge states.

26 (5) The tuition fees established under this chapter shall not apply  
27 to high school students enrolling in participating institutions of  
28 higher education under RCW 28A.600.300 through 28A.600.400.

29 (6) The tuition fees established under this chapter shall not apply  
30 to eligible students enrolling in a dropout reengagement program  
31 through an interlocal agreement between a school district and a  
32 community or technical college under RCW 28A.175.100 through  
33 28A.175.110.

34 (7) The tuition fees established under this chapter shall not apply  
35 to eligible students enrolling in a community or technical college  
36 participating in the pilot program under RCW 28B.50.534 for the purpose  
37 of obtaining a high school diploma.

1 (8) Beginning in the 2019-20 academic year, reductions or increases  
2 in full-time tuition fees for resident undergraduates at four-year  
3 institutions of higher education shall be as provided in the omnibus  
4 appropriations act.

5 (9) The legislative advisory committee to the committee on advanced  
6 tuition payment established in RCW 28B.95.170 shall:

7 (a) Review the impact of differential tuition rates on the funded  
8 status and future unit price of the Washington advanced college tuition  
9 payment program; and

10 (b) No later than January 14, 2013, make a recommendation to the  
11 appropriate policy and fiscal committees of the legislature regarding  
12 how differential tuition should be addressed in order to maintain the  
13 ongoing solvency of the Washington advanced college tuition payment  
14 program.

15 **Sec. 914.** RCW 38.52.540 and 2010 1st sp.s. c 19 s 18 are each  
16 amended to read as follows:

17 (1) The enhanced 911 account is created in the state treasury. All  
18 receipts from the state enhanced 911 excise taxes imposed by RCW  
19 82.14B.030 must be deposited into the account. Moneys in the account  
20 must be used only to support the statewide coordination and management  
21 of the enhanced 911 system, for the implementation of wireless enhanced  
22 911 statewide, for the modernization of enhanced 911 emergency  
23 communications systems statewide, and to help supplement, within  
24 available funds, the operational costs of the system, including  
25 adequate funding of counties to enable implementation of wireless  
26 enhanced 911 service and reimbursement of radio communications service  
27 companies for costs incurred in providing wireless enhanced 911 service  
28 pursuant to negotiated contracts between the counties or their agents  
29 and the radio communications service companies. For the 2011-2013  
30 fiscal biennium, the account may be used for modernizing narrowband  
31 radio capability in the department of corrections. A county must show  
32 just cause, including but not limited to a true and accurate accounting  
33 of the funds expended, for any inability to provide reimbursement to  
34 radio communications service companies of costs incurred in providing  
35 enhanced 911 service.

36 (2) Funds generated by the enhanced 911 excise tax imposed by RCW  
37 82.14B.030(5) may not be distributed to any county that has not imposed

1 the maximum county enhanced 911 excise tax allowed under RCW  
2 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed  
3 by RCW 82.14B.030(6) may not be distributed to any county that has not  
4 imposed the maximum county enhanced 911 excise tax allowed under RCW  
5 82.14B.030(2).

6 (3) The state enhanced 911 coordinator, with the advice and  
7 assistance of the enhanced 911 advisory committee, is authorized to  
8 enter into statewide agreements to improve the efficiency of enhanced  
9 911 services for all counties and shall specify by rule the additional  
10 purposes for which moneys, if available, may be expended from this  
11 account.

12 **Sec. 915.** RCW 43.07.129 and 2011 1st sp.s. c 50 s 940 are each  
13 amended to read as follows:

14 The Washington state heritage center account is created in the  
15 custody of the state treasurer. All moneys received under RCW  
16 36.18.010(11) and 43.07.128 must be deposited in the account.  
17 Expenditures from the account may be made only for the following  
18 purposes:

19 (1) Payment of the certificate of participation issued for the  
20 Washington state heritage center;

21 (2) Capital maintenance of the Washington state heritage center;  
22 and

23 (3) Program operations that serve the public, relate to the  
24 collections and exhibits housed in the Washington state heritage  
25 center, or fulfill the missions of the state archives, state library,  
26 and capital museum.

27 Only the secretary of state or the secretary of state's designee  
28 may authorize expenditures from the account. An appropriation is not  
29 required for expenditures, but the account is subject to allotment  
30 procedures under chapter 43.88 RCW. During the 2011-2013 fiscal  
31 biennium, the legislature may appropriate from the Washington state  
32 heritage center account for the purposes of state arts, historical, and  
33 library programs. Additionally, during the 2011-2013 fiscal biennium,  
34 the legislature may transfer from the Washington state heritage center  
35 account to the state general fund such amounts as reflect the excess  
36 fund balance of the fund.

1       **Sec. 916.** RCW 43.17.390 and 2009 c 564 s 931 are each amended to  
2 read as follows:

3       Starting in ((2012)) 2014, and at least once every three years  
4 thereafter, each agency shall apply to the Washington state quality  
5 award, or similar organization, for an independent assessment of its  
6 quality management, accountability, and performance system. The  
7 assessment shall evaluate the effectiveness of all elements of its  
8 management, accountability, and performance system, including:  
9 Leadership, strategic planning, customer focus, analysis and  
10 information, employee performance management, and process improvement.  
11 The purpose of the assessment is to recognize best practice and  
12 identify improvement opportunities.

13       **Sec. 917.** RCW 43.30.720 and 2003 1st sp.s. c 25 s 938 are each  
14 amended to read as follows:

15       All receipts from the sale of stock or seed shall be deposited in  
16 a state forest nursery revolving fund to be maintained by the  
17 department, which is hereby authorized to use all money in said fund  
18 for the maintenance of the state tree nursery or the planting of  
19 denuded state owned lands.

20       During the ((2003–2005)) 2011-2013 fiscal biennium, the legislature  
21 may transfer from the state forest nursery revolving fund to the state  
22 general fund such amounts as reflect the excess fund balance of the  
23 fund.

24       **Sec. 918.** RCW 43.88.110 and 2009 c 518 s 3 are each amended to  
25 read as follows:

26       This section sets forth the expenditure programs and the allotment  
27 and reserve procedures to be followed by the executive branch for  
28 public funds.

29       (1) Allotments of an appropriation for any fiscal period shall  
30 conform to the terms, limits, or conditions of the appropriation.

31       (2) The director of financial management shall provide all agencies  
32 with a complete set of operating and capital instructions for preparing  
33 a statement of proposed expenditures at least thirty days before the  
34 beginning of a fiscal period. The set of instructions need not include  
35 specific appropriation amounts for the agency.



1 (3) Within forty-five days after the beginning of the fiscal period  
2 or within forty-five days after the governor signs the omnibus biennial  
3 appropriations act, whichever is later, all agencies shall submit to  
4 the governor a statement of proposed expenditures at such times and in  
5 such form as may be required by the governor.

6 (4) The office of financial management shall develop a method for  
7 monitoring capital appropriations and expenditures that will capture at  
8 least the following elements:

9 (a) Appropriations made for capital projects including  
10 transportation projects;

11 (b) Estimates of total project costs including past, current,  
12 ensuing, and future biennial costs;

13 (c) Comparisons of actual costs to estimated costs;

14 (d) Comparisons of estimated construction start and completion  
15 dates with actual dates;

16 (e) Documentation of fund shifts between projects.

17 This data may be incorporated into the existing accounting system  
18 or into a separate project management system, as deemed appropriate by  
19 the office of financial management.

20 (5) The office of financial management, prior to approving  
21 allotments for major capital construction projects valued over five  
22 million dollars, shall institute procedures for reviewing such projects  
23 at the predesign stage that will reduce long-term costs and increase  
24 facility efficiency. The procedures shall include, but not be limited  
25 to, the following elements:

26 (a) Evaluation of facility program requirements and consistency  
27 with long-range plans;

28 (b) Utilization of a system of cost, quality, and performance  
29 standards to compare major capital construction projects; and

30 (c) A requirement to incorporate value-engineering analysis and  
31 constructability review into the project schedule.

32 (6) No expenditure may be incurred or obligation entered into for  
33 such major capital construction projects including, without exception,  
34 land acquisition, site development, predesign, design, construction,  
35 and equipment acquisition and installation, until the allotment of the  
36 funds to be expended has been approved by the office of financial  
37 management. This limitation does not prohibit the continuation of

1 expenditures and obligations into the succeeding biennium for projects  
2 for which allotments have been approved in the immediate prior  
3 biennium.

4 (7)(a) Beginning January 1, 2013, if at any time during the fiscal  
5 period the governor projects a cash deficit in a particular fund or  
6 account as defined by RCW 43.88.050, the governor shall make across-  
7 the-board reductions in allotments for that particular fund or account  
8 so as to prevent a cash deficit, unless the legislature has directed  
9 the liquidation of the cash deficit over one or more fiscal periods.

10 (b)(i) From the effective date of this section until January 1,  
11 2013, if at any time during the fiscal period the governor projects a  
12 cash deficit in a particular fund or account as defined by RCW  
13 43.88.050, then as set forth in (b) of this subsection the governor  
14 shall make across-the-board reductions in the total amount allotted to  
15 each agency from each appropriation from that fund or account so as to  
16 prevent a cash deficit, unless the legislature has directed the  
17 liquidation of the cash deficit over one or more fiscal periods.

18 (ii) The percentage reduction applied to individual allotments of  
19 an agency's total allotments from each appropriation from that fund or  
20 account may vary, but each agency's total allotments from each  
21 appropriation from that fund or account must be uniformly reduced by  
22 the percentage necessary to prevent a cash deficit. Where a portion of  
23 an appropriation is provided solely for a particular purpose,  
24 allotments of that portion of the appropriation may be reduced only by  
25 the same percentage as the overall appropriation.

26 (iii) Allotments for the following programs may be reduced only by  
27 a percentage equal to one-half of the percentage reduction applied to  
28 total allotments of appropriations under (b)(ii) of this subsection:

29 (A) Direct custody in the department of corrections and the  
30 juvenile rehabilitation administration; and

31 (B) The special commitment center of the department of social and  
32 health services.

33 (iv) Basic education programs, debt service on state bonds, state  
34 contributions to retirement systems, and programs for which a defined  
35 benefit is specifically mandated in statute are exempt from across-the-  
36 board allotment reductions under this subsection (7)(b) and allotments  
37 for these purposes shall not be included when calculating the allotment  
38 reductions.

1       (8) Except for the legislative and judicial branches and other  
2 agencies headed by elective officials, the governor shall review the  
3 statement of proposed operating expenditures for reasonableness and  
4 conformance with legislative intent. The governor may request  
5 corrections of proposed allotments submitted by the legislative and  
6 judicial branches and agencies headed by elective officials if those  
7 proposed allotments contain significant technical errors.

8       (9) Once the governor approves the proposed allotments, further  
9 revisions may at the request of the office of financial management or  
10 upon the agency's initiative be made on a quarterly basis and must be  
11 accompanied by an explanation of the reasons for significant changes.  
12 If the governor initiates across-the-board allotment revisions under  
13 subsection (7)(b) of this section, the office of financial management  
14 shall provide notice to the appropriate legislative fiscal committees  
15 of the proposed revisions, including the explanation for the  
16 significant changes, and the revisions may not take effect until ten  
17 days after this notice is provided. However, changes in appropriation  
18 level authorized by the legislature, changes required by across-the-  
19 board reductions mandated by the governor, changes caused by executive  
20 increases to spending authority, and changes caused by executive  
21 decreases to spending authority for failure to comply with the  
22 provisions of chapter 36.70A RCW may require additional revisions.  
23 Revisions shall not be made retroactively. However, the governor may  
24 assign to a reserve status any portion of an agency appropriation  
25 withheld as part of across-the-board reductions made by the governor  
26 and any portion of an agency appropriation conditioned on a contingent  
27 event by the appropriations act. The governor may remove these amounts  
28 from reserve status if the across-the-board reductions are subsequently  
29 modified or if the contingent event occurs. The director of financial  
30 management shall enter approved statements of proposed expenditures  
31 into the state budgeting, accounting, and reporting system within  
32 forty-five days after receipt of the proposed statements from the  
33 agencies. If an agency or the director of financial management is  
34 unable to meet these requirements, the director of financial management  
35 shall provide a timely explanation in writing to the legislative fiscal  
36 committees.

37       (8) It is expressly provided that all agencies shall be required to  
38 maintain accounting records and to report thereon in the manner

1 prescribed in this chapter and under the regulations issued pursuant to  
2 this chapter. Within ninety days of the end of the fiscal year, all  
3 agencies shall submit to the director of financial management their  
4 final adjustments to close their books for the fiscal year. Prior to  
5 submitting fiscal data, written or oral, to committees of the  
6 legislature, it is the responsibility of the agency submitting the data  
7 to reconcile it with the budget and accounting data reported by the  
8 agency to the director of financial management.

9 (9) The director of financial management may exempt certain public  
10 funds from the allotment controls established under this chapter if it  
11 is not practical or necessary to allot the funds. Allotment control  
12 exemptions expire at the end of the fiscal biennium for which they are  
13 granted. The director of financial management shall report any  
14 exemptions granted under this subsection to the legislative fiscal  
15 committees.

16 **Sec. 919.** RCW 43.320.110 and 2010 1st sp.s. c 37 s 934 are each  
17 amended to read as follows:

18 There is created a local fund known as the "financial services  
19 regulation fund" which shall consist of all moneys received by the  
20 divisions of the department of financial institutions, except for the  
21 division of securities which shall deposit thirteen percent of all  
22 moneys received, except as provided in RCW 43.320.115, and which shall  
23 be used for the purchase of supplies and necessary equipment; the  
24 payment of salaries, wages, and utilities; the establishment of  
25 reserves; and other incidental costs required for the proper regulation  
26 of individuals and entities subject to regulation by the department.  
27 The state treasurer shall be the custodian of the fund. Disbursements  
28 from the fund shall be on authorization of the director of financial  
29 institutions or the director's designee. In order to maintain an  
30 effective expenditure and revenue control, the fund shall be subject in  
31 all respects to chapter 43.88 RCW, but no appropriation is required to  
32 permit expenditures and payment of obligations from the fund.

33 During the ((2009-2011)) 2011-2013 fiscal biennium, the legislature  
34 may transfer from the financial services regulation fund to the state  
35 general fund such amounts as reflect the excess fund balance of the  
36 fund.

1       **Sec. 920.** RCW 66.08.190 and 2011 1st sp.s. c 50 s 960 are each  
2 amended to read as follows:

3       (1) Except for revenues generated by the 2003 surcharge of  
4 \$0.42/liter on retail sales of spirits that must be distributed to the  
5 state general fund during the 2003-2005 biennium, when excess funds are  
6 distributed, except as provided in subsection (4) of this section, all  
7 moneys subject to distribution must be disbursed as follows:

8       (a) Three-tenths of one percent to border areas under RCW  
9 66.08.195; and

10       (b) (~~Except as provided in subsection (4) of this section,~~) From  
11 the amount remaining after distribution under (a) of this subsection,  
12 (i) fifty percent to the general fund of the state, (ii) ten percent to  
13 the counties of the state, and (iii) forty percent to the incorporated  
14 cities and towns of the state.

15       (2) During the months of June, September, December, and March of  
16 each year, prior to disbursing the distribution to incorporated cities  
17 and towns under subsection (1)(b) of this section, the treasurer must  
18 deduct from that distribution an amount that will fund that quarter's  
19 allotments under RCW 43.88.110 from any legislative appropriation from  
20 the city and town research services account. The treasurer must  
21 deposit the amount deducted into the city and town research services  
22 account.

23       (3) The governor may notify and direct the state treasurer to  
24 withhold the revenues to which the counties and cities are entitled  
25 under this section if the counties or cities are found to be in  
26 noncompliance pursuant to RCW 36.70A.340.

27       (4)(a) During ((the 2011-2013 fiscal biennium)) fiscal year 2012,  
28 from the amount remaining after distribution under subsection (1)(a) of  
29 this section, (a) 51.7 percent to the general fund of the state, (b)  
30 9.7 percent to the counties of the state, and (c) 38.6 percent to the  
31 incorporated cities and towns of the state.

32       (b) During the 2013 fiscal year, distributions must first be made  
33 pursuant to section 302 of Initiative Measure No. 1183, and the  
34 remainder must be deposited into the general fund.

35       **Sec. 921.** RCW 70.105D.070 and 2011 1st sp.s. c 50 s 964 are each  
36 reenacted and amended to read as follows:

1 (1) The state toxics control account and the local toxics control  
2 account are hereby created in the state treasury.

3 (2) The following moneys shall be deposited into the state toxics  
4 control account: (a) Those revenues which are raised by the tax  
5 imposed under RCW 82.21.030 and which are attributable to that portion  
6 of the rate equal to thirty-three one-hundredths of one percent; (b)  
7 the costs of remedial actions recovered under this chapter or chapter  
8 70.105A RCW; (c) penalties collected or recovered under this chapter;  
9 and (d) any other money appropriated or transferred to the account by  
10 the legislature. Moneys in the account may be used only to carry out  
11 the purposes of this chapter, including but not limited to the  
12 following activities:

13 (i) The state's responsibility for hazardous waste planning,  
14 management, regulation, enforcement, technical assistance, and public  
15 education required under chapter 70.105 RCW;

16 (ii) The state's responsibility for solid waste planning,  
17 management, regulation, enforcement, technical assistance, and public  
18 education required under chapter 70.95 RCW;

19 (iii) The hazardous waste cleanup program required under this  
20 chapter;

21 (iv) State matching funds required under the federal cleanup law;

22 (v) Financial assistance for local programs in accordance with  
23 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

24 (vi) State government programs for the safe reduction, recycling,  
25 or disposal of hazardous wastes from households, small businesses, and  
26 agriculture;

27 (vii) Hazardous materials emergency response training;

28 (viii) Water and environmental health protection and monitoring  
29 programs;

30 (ix) Programs authorized under chapter 70.146 RCW;

31 (x) A public participation program, including regional citizen  
32 advisory committees;

33 (xi) Public funding to assist potentially liable persons to pay for  
34 the costs of remedial action in compliance with cleanup standards under  
35 RCW 70.105D.030(2)(e) but only when the amount and terms of such  
36 funding are established under a settlement agreement under RCW  
37 70.105D.040(4) and when the director has found that the funding will

1 achieve both (A) a substantially more expeditious or enhanced cleanup  
2 than would otherwise occur, and (B) the prevention or mitigation of  
3 unfair economic hardship;

4 (xii) Development and demonstration of alternative management  
5 technologies designed to carry out the hazardous waste management  
6 priorities of RCW 70.105.150;

7 (xiii) During the 2009-2011 and 2011-2013 fiscal biennia, shoreline  
8 update technical assistance;

9 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional  
10 permitting teams; (~~and~~)

11 (xv) During the 2011-2013 fiscal biennium, actions for reducing  
12 public exposure to toxic air pollution; and

13 (xvi) During the 2011-2013 fiscal biennium, the department of  
14 ecology's water quality shorelands, environmental assessment, hazardous  
15 waste, waste to resources, nuclear waste, and indirect costs.

16 (3) The following moneys shall be deposited into the local toxics  
17 control account: Those revenues which are raised by the tax imposed  
18 under RCW 82.21.030 and which are attributable to that portion of the  
19 rate equal to thirty-seven one-hundredths of one percent.

20 (a) Moneys deposited in the local toxics control account shall be  
21 used by the department for grants or loans to local governments for the  
22 following purposes in descending order of priority:

23 (i) Remedial actions;

24 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

25 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,  
26 70.95I, and 70.105 RCW;

27 (iv) Funds for a program to assist in the assessment and cleanup of  
28 sites of methamphetamine production, but not to be used for the initial  
29 containment of such sites, consistent with the responsibilities and  
30 intent of RCW 69.50.511; and

31 (v) Cleanup and disposal of hazardous substances from abandoned or  
32 derelict vessels, defined for the purposes of this section as vessels  
33 that have little or no value and either have no identified owner or  
34 have an identified owner lacking financial resources to clean up and  
35 dispose of the vessel, that pose a threat to human health or the  
36 environment.

37 (b) Funds for plans and programs shall be allocated consistent with  
38 the priorities and matching requirements established in chapters

1 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that  
2 is a Puget Sound partner, as defined in RCW 90.71.010, along with any  
3 project that is referenced in the action agenda developed by the Puget  
4 Sound partnership under RCW 90.71.310, shall, except as conditioned by  
5 RCW 70.105D.120, receive priority for any available funding for any  
6 grant or funding programs or sources that use a competitive bidding  
7 process. During the 2007-2009 fiscal biennium, moneys in the account  
8 may also be used for grants to local governments to retrofit public  
9 sector diesel equipment and for storm water planning and implementation  
10 activities.

11 (c) To expedite cleanups throughout the state, the department shall  
12 partner with local communities and liable parties for cleanups. The  
13 department is authorized to use the following additional strategies in  
14 order to ensure a healthful environment for future generations:

15 (i) The director may alter grant-matching requirements to create  
16 incentives for local governments to expedite cleanups when one of the  
17 following conditions exists:

18 (A) Funding would prevent or mitigate unfair economic hardship  
19 imposed by the clean-up liability;

20 (B) Funding would create new substantial economic development,  
21 public recreational, or habitat restoration opportunities that would  
22 not otherwise occur; or

23 (C) Funding would create an opportunity for acquisition and  
24 redevelopment of vacant, orphaned, or abandoned property under RCW  
25 70.105D.040(5) that would not otherwise occur;

26 (ii) The use of outside contracts to conduct necessary studies;

27 (iii) The purchase of remedial action cost-cap insurance, when  
28 necessary to expedite multiparty clean-up efforts.

29 (d) To facilitate and expedite cleanups using funds from the local  
30 toxics control account, during the 2009-2011 fiscal biennium the  
31 director may establish grant-funded accounts to hold and disperse local  
32 toxics control account funds and funds from local governments to be  
33 used for remedial actions.

34 (4) Except for unanticipated receipts under RCW 43.79.260 through  
35 43.79.282, moneys in the state and local toxics control accounts may be  
36 spent only after appropriation by statute.

37 (5) Except during the ((2009-2011)) 2011-2013 fiscal biennium, one  
38 percent of the moneys deposited into the state and local toxics control



1 accounts shall be allocated only for public participation grants to  
2 persons who may be adversely affected by a release or threatened  
3 release of a hazardous substance and to not-for-profit public interest  
4 organizations. The primary purpose of these grants is to facilitate  
5 the participation by persons and organizations in the investigation and  
6 remedying of releases or threatened releases of hazardous substances  
7 and to implement the state's solid and hazardous waste management  
8 priorities. No grant may exceed sixty thousand dollars. Grants may be  
9 renewed annually. Moneys appropriated for public participation from  
10 either account which are not expended at the close of any biennium  
11 shall revert to the state toxics control account.

12 (6) No moneys deposited into either the state or local toxics  
13 control account may be used for solid waste incinerator feasibility  
14 studies, construction, maintenance, or operation, or, after January 1,  
15 2010, for projects designed to address the restoration of Puget Sound,  
16 funded in a competitive grant process, that are in conflict with the  
17 action agenda developed by the Puget Sound partnership under RCW  
18 90.71.310.

19 (7) The department shall adopt rules for grant or loan issuance and  
20 performance.

21 (8) During the 2007-2009 and 2009-2011 fiscal biennia, the  
22 legislature may transfer from the local toxics control account to  
23 either the state general fund or the oil spill prevention account, or  
24 both such amounts as reflect excess fund balance in the account.

25 (9) During the 2009-2011 fiscal biennium, the local toxics control  
26 account may also be used for a standby rescue tug at Neah Bay, local  
27 government shoreline update grants, private and public sector diesel  
28 equipment retrofit, and oil spill prevention, preparedness, and  
29 response activities.

30 (10) During the 2009-2011 fiscal biennium, the legislature may  
31 transfer from the state toxics control account to the state general  
32 fund such amounts as reflect the excess fund balance in the account.

33 (11) During the 2011-2013 fiscal biennium, the local toxics control  
34 account may also be used for local government shoreline update grants  
35 and actions for reducing public exposure to toxic air pollution.

36 **Sec. 922.** RCW 74.08A.340 and 2009 c 564 s 953 are each amended to  
37 read as follows:

1 The department of social and health services shall operate the  
2 Washington WorkFirst program authorized under RCW 74.08A.200 through  
3 74.08A.330, 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12  
4 RCW within the following constraints:

5 (1) The full amount of the temporary assistance for needy families  
6 block grant, plus qualifying state expenditures as appropriated in the  
7 biennial operating budget, shall be appropriated to the department each  
8 year in the biennial appropriations act to carry out the provisions of  
9 the program authorized in RCW 74.08A.200 through 74.08A.330,  
10 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12 RCW.

11 (2)(a) The department may expend funds defined in subsection (1) of  
12 this section in any manner that will effectively accomplish the outcome  
13 measures defined in RCW 74.08A.410 with the following exception:  
14 Beginning with the 2007-2009 biennium, funds that constitute the  
15 working connections child care program, child care quality programs,  
16 and child care licensing functions.

17 (b) Beginning in the 2007-2009 fiscal biennium, the legislature  
18 shall appropriate and the departments of early learning and social and  
19 health services shall expend funds defined in subsection (1) of this  
20 section that constitute the working connections child care program,  
21 child care quality programs, and child care licensing functions in a  
22 manner that is consistent with the outcome measures defined in RCW  
23 74.08A.410.

24 (c) No more than fifteen percent of the amount provided in  
25 subsection (1) of this section may be spent for administrative  
26 purposes. For the purpose of this subsection, "administrative  
27 purposes" does not include expenditures for information technology and  
28 computerization needed for tracking and monitoring required by P.L.  
29 104-193. The department shall not increase grant levels to recipients  
30 of the program authorized in RCW 74.08A.200 through 74.08A.330 and  
31 43.330.145 and chapter 74.12 RCW, except (~~as authorized in the omnibus~~  
32 ~~appropriations act for the 2009-2011 biennium~~) that during fiscal year  
33 2013 the department may increase the grant levels by up to five  
34 percent.

35 (3) The department shall implement strategies that accomplish the  
36 outcome measures identified in RCW 74.08A.410 that are within the  
37 funding constraints in this section. Specifically, the department  
38 shall implement strategies that will cause the number of cases in the

1 program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145  
2 and chapter 74.12 RCW to decrease by at least fifteen percent during  
3 the 1997-99 biennium and by at least five percent in the subsequent  
4 biennium. The department may transfer appropriation authority between  
5 funding categories within the economic services program in order to  
6 carry out the requirements of this subsection.

7 (4) The department shall monitor expenditures against the  
8 appropriation levels provided for in subsection (1) of this section.  
9 The department shall quarterly make a determination as to whether  
10 expenditure levels will exceed available funding and communicate its  
11 finding to the legislature. If the determination indicates that  
12 expenditures will exceed funding at the end of the fiscal year, the  
13 department shall take all necessary actions to ensure that all services  
14 provided under this chapter shall be made available only to the extent  
15 of the availability and level of appropriation made by the legislature.

16 **Sec. 923.** RCW 74.48.090 and 2011 1st sp.s. c 7 s 21 are each  
17 amended to read as follows:

18 (1) The department and the department of health, in consultation  
19 with the Washington state health care association, and aging services  
20 of Washington, shall design a system of skilled nursing facility  
21 quality incentive payments. The design of the system shall be  
22 submitted to the relevant policy and fiscal committees of the  
23 legislature by (~~December 15, 2011~~) January 1, 2013. For the 2011-  
24 2013 fiscal biennial budget period, the department shall not implement  
25 a system of skilled nursing facility quality incentive payments  
26 designed pursuant to this section. The system shall be based upon the  
27 following principles:

28 (a) Evidence-based treatment and processes shall be used to improve  
29 health care outcomes for skilled nursing facility residents;

30 (b) Effective purchasing strategies to improve the quality of  
31 health care services should involve the use of common quality  
32 improvement measures, while recognizing that some measures may not be  
33 appropriate for application to facilities with high bariatric,  
34 behaviorally challenged, or rehabilitation populations;

35 (c) Quality measures chosen for the system should be consistent  
36 with the standards that have been developed by national quality  
37 improvement organizations, such as the national quality forum, the

1 federal centers for medicare and medicaid services, or the federal  
2 agency for healthcare research and quality. New reporting burdens to  
3 skilled nursing facilities should be minimized by giving priority to  
4 measures skilled nursing facilities that are currently required to  
5 report to governmental agencies, such as the nursing home compare  
6 measures collected by the federal centers for medicare and medicaid  
7 services;

8 (d) Benchmarks for each quality improvement measure should be set  
9 at levels that are feasible for skilled nursing facilities to achieve,  
10 yet represent real improvements in quality and performance for a  
11 majority of skilled nursing facilities in Washington state; and

12 (e) Skilled nursing facilities performance and incentive payments  
13 should be designed in a manner such that all facilities in Washington  
14 are able to receive the incentive payments if performance is at or  
15 above the benchmark score set in the system established under this  
16 section.

17 (2) Pursuant to an appropriation by the legislature, for state  
18 fiscal year ((2013)) 2014 and each fiscal year thereafter, assessments  
19 may be increased to support an additional one percent increase in  
20 skilled nursing facility reimbursement rates for facilities that meet  
21 the quality incentive benchmarks established under this section.

22 **Sec. 924.** RCW 76.04.610 and 2007 c 110 s 1 are each amended to  
23 read as follows:

24 (1)(a) If any owner of forest land within a forest protection zone  
25 neglects or fails to provide adequate fire protection as required by  
26 RCW 76.04.600, the department shall provide such protection and shall  
27 annually impose the following assessments on each parcel of such land:

28 (i) A flat fee assessment of seventeen dollars and fifty cents; and  
29 (ii) twenty-seven cents on each acre exceeding fifty acres.

30 (b) Assessors may, at their option, collect the assessment on tax  
31 exempt lands. If the assessor elects not to collect the assessment,  
32 the department may bill the landowner directly.

33 (2) An owner who has paid assessments on two or more parcels, each  
34 containing fewer than fifty acres and each within the same county, may  
35 obtain the following refund:

36 (a) If all the parcels together contain less than fifty acres, then  
37 the refund is equal to the flat fee assessments paid, reduced by the

1 total of (i) seventeen dollars and (ii) the total of the amounts  
2 retained by the county from such assessments under subsection (5) of  
3 this section.

4 (b) If all the parcels together contain fifty or more acres, then  
5 the refund is equal to the flat fee assessments paid, reduced by the  
6 total of (i) seventeen dollars, (ii) twenty-seven cents for each acre  
7 exceeding fifty acres, and (iii) the total of the amounts retained by  
8 the county from such assessments under subsection (5) of this section.

9 Applications for refunds shall be submitted to the department on a  
10 form prescribed by the department and in the same year in which the  
11 assessments were paid. The department may not provide refunds to  
12 applicants who do not provide verification that all assessments and  
13 property taxes on the property have been paid. Applications may be  
14 made by mail.

15 In addition to the procedures under this subsection, property  
16 owners with multiple parcels in a single county who qualify for a  
17 refund under this section may apply to the department on an application  
18 listing all the parcels owned in order to have the assessment computed  
19 on all parcels but billed to a single parcel. Property owners with the  
20 following number of parcels may apply to the department in the year  
21 indicated:

22	Year	Number of Parcels
23	2002	10 or more parcels
24	2003	8 or more parcels
25	2004 and thereafter	6 or more parcels

26 The department must compute the correct assessment and allocate one  
27 parcel in the county to use to collect the assessment. The county must  
28 then bill the forest fire protection assessment on that one allocated  
29 identified parcel. The landowner is responsible for notifying the  
30 department of any changes in parcel ownership.

31 (3) Beginning January 1, 1991, under the administration and at the  
32 discretion of the department up to two hundred thousand dollars per  
33 year of this assessment shall be used in support of those rural fire  
34 districts assisting the department in fire protection services on  
35 forest lands.

1 (4) For the purpose of this chapter, the department may divide the  
2 forest lands of the state, or any part thereof, into districts, for  
3 fire protection and assessment purposes, may classify lands according  
4 to the character of timber prevailing, and the fire hazard existing,  
5 and place unprotected lands under the administration of the proper  
6 district. Amounts paid or contracted to be paid by the department for  
7 protection of forest lands from funds at its disposal shall be a lien  
8 upon the property protected, unless reimbursed by the owner within ten  
9 days after October 1st of the year in which they were incurred. The  
10 department shall be prepared to make statement thereof, upon request,  
11 to a forest owner whose own protection has not been previously approved  
12 as to its adequacy, the department shall report the same to the  
13 assessor of the county in which the property is situated. The assessor  
14 shall extend the amounts upon the tax rolls covering the property, and  
15 upon authorization from the department shall levy the forest protection  
16 assessment against the amounts of unimproved land as shown in each  
17 ownership on the county assessor's records. The assessor may then  
18 segregate on the records to provide that the improved land and  
19 improvements thereon carry the millage levy designed to support the  
20 rural fire protection districts as provided for in RCW 52.16.170.

21 (5) The amounts assessed shall be collected at the time, in the  
22 same manner, by the same procedure, and with the same penalties  
23 attached that general state and county taxes on the same property are  
24 collected, except that errors in assessments may be corrected at any  
25 time by the department certifying them to the treasurer of the county  
26 in which the land involved is situated. Assessments shall be known and  
27 designated as assessments of the year in which the amounts became  
28 reimbursable. Upon the collection of assessments the county treasurer  
29 shall place fifty cents of the total assessments paid on a parcel for  
30 fire protection into the county current expense fund to defray the  
31 costs of listing, billing, and collecting these assessments. The  
32 treasurer shall then transmit the balance to the department.  
33 Collections shall be applied against expenses incurred in carrying out  
34 the provisions of this section, including necessary and reasonable  
35 administrative costs incurred by the department in the enforcement of  
36 these provisions. The department may also expend sums collected from  
37 owners of forest lands or received from any other source for necessary

1 administrative costs in connection with the enforcement of RCW  
2 76.04.660.

3 (6) When land against which forest protection assessments are  
4 outstanding is acquired for delinquent taxes and sold at public  
5 auction, the state shall have a prior lien on the proceeds of sale over  
6 and above the amount necessary to satisfy the county's delinquent tax  
7 judgment. The county treasurer, in case the proceeds of sale exceed  
8 the amount of the delinquent tax judgment, shall immediately remit to  
9 the department the amount of the outstanding forest protection  
10 assessments.

11 (7) All nonfederal public bodies owning or administering forest  
12 land included in a forest protection zone shall pay the forest  
13 protection assessments provided in this section and the special forest  
14 fire suppression account assessments under RCW 76.04.630. The forest  
15 protection assessments and special forest fire suppression account  
16 assessments shall be payable by nonfederal public bodies from available  
17 funds within thirty days following receipt of the written notice from  
18 the department which is given after October 1st of the year in which  
19 the protection was provided. Unpaid assessments are not a lien against  
20 the nonfederal publicly owned land but shall constitute a debt by the  
21 nonfederal public body to the department and are subject to interest  
22 charges at the legal rate. During the 2011-2013 fiscal biennium, the  
23 forest fire protection assessment account may be used by the joint  
24 legislative audit review committee to contract for analysis and  
25 recommendations to improve the efficiency and effectiveness of the  
26 state's mechanisms for funding fire prevention and suppression  
27 activities.

28 (8) A public body, having failed to previously pay the forest  
29 protection assessments required of it by this section, which fails to  
30 suppress a fire on or originating from forest lands owned or  
31 administered by it, is liable for the costs of suppression incurred by  
32 the department or its agent and is not entitled to reimbursement of  
33 costs incurred by the public body in the suppression activities.

34 (9) The department may adopt rules to implement this section,  
35 including, but not limited to, rules on levying and collecting forest  
36 protection assessments.

1       **Sec. 925.** RCW 77.12.201 and 2009 c 479 s 63 are each amended to  
2 read as follows:

3       The legislative authority of a county may elect, by giving written  
4 notice to the director and the treasurer prior to January 1st of any  
5 year, to obtain for the following year an amount in lieu of real  
6 property taxes on game lands as provided in RCW 77.12.203. Upon the  
7 election, the county shall keep a record of all fines, forfeitures,  
8 reimbursements, and costs assessed and collected, in whole or in part,  
9 under this title for violations of law or rules adopted pursuant to  
10 this title, with the exception of the 2011-2013 fiscal biennium, and  
11 shall monthly remit an amount equal to the amount collected to the  
12 state treasurer for deposit in the state general fund. The election  
13 shall continue until the department is notified differently prior to  
14 January 1st of any year.

15       **Sec. 926.** RCW 77.12.203 and 2005 c 303 s 14 are each amended to  
16 read as follows:

17       (1) Except as provided in subsection (5) of this section and  
18 notwithstanding RCW 84.36.010 or other statutes to the contrary, the  
19 director shall pay by April 30th of each year on game lands in each  
20 county, if requested by an election under RCW 77.12.201, an amount in  
21 lieu of real property taxes equal to that amount paid on similar  
22 parcels of open space land taxable under chapter 84.34 RCW or the  
23 greater of seventy cents per acre per year or the amount paid in 1984  
24 plus an additional amount for control of noxious weeds equal to that  
25 which would be paid if such lands were privately owned. This amount  
26 shall not be assessed or paid on department buildings, structures,  
27 facilities, game farms, fish hatcheries, tidelands, or public fishing  
28 areas of less than one hundred acres.

29       (2) "Game lands," as used in this section and RCW 77.12.201, means  
30 those tracts one hundred acres or larger owned in fee by the department  
31 and used for wildlife habitat and public recreational purposes. All  
32 lands purchased for wildlife habitat, public access or recreation  
33 purposes with federal funds in the Snake River drainage basin shall be  
34 considered game lands regardless of acreage.

35       (3) This section shall not apply to lands transferred after April  
36 23, 1990, to the department from other state agencies.



1 (4) The county shall distribute the amount received under this  
2 section in lieu of real property taxes to all property taxing districts  
3 except the state in appropriate tax code areas the same way it would  
4 distribute local property taxes from private property. The county  
5 shall distribute the amount received under this section for weed  
6 control to the appropriate weed district.

7 (5) For the 2011-2013 fiscal biennium, the director shall pay by  
8 April 30th of each year on game lands in each county, if requested by  
9 an election under RCW 77.12.201, an amount in lieu of real property  
10 taxes and shall be distributed as follows:

11 **County**

12	
13	<u>Adams.....1,909</u>
14	<u>Asotin.....36,123</u>
15	<u>Chelan..... 24,757</u>
16	<u>Columbia..... 7,795</u>
17	<u>Ferry..... 6,781</u>
18	<u>Garfield..... 4,840</u>
19	<u>Grant.....37,443</u>
20	<u>Grays Harbor.....7,264</u>
21	<u>Kittitas.....143,974</u>
22	<u>Klickitat.....21,906</u>
23	<u>Lincoln.....13,535</u>
24	<u>Okanogan..... 151,402</u>
25	<u>Pend Oreille.....3,309</u>
26	<u>Yakima..... 126,225</u>

27 These amounts shall not be assessed or paid on department buildings,  
28 structures, facilities, game farms, fish hatcheries, tidelands, or  
29 public fishing areas of less than one hundred acres.

30 **Sec. 927.** RCW 77.95.090 and 2009 c 340 s 4 are each amended to  
31 read as follows:

32 The dedicated regional fisheries enhancement group account is  
33 created in the custody of the state treasurer. Only the commission or

1 the commission's designee may authorize expenditures from the account.  
2 The account is subject to allotment procedures under chapter 43.88 RCW,  
3 but no appropriation is required for expenditures.

4 A portion of each recreational fishing license fee shall be used as  
5 provided in RCW 77.32.440. A surcharge of one hundred dollars shall be  
6 collected on each commercial salmon fishery license, each salmon  
7 delivery license, and each salmon charter license sold in the state.  
8 All receipts shall be placed in the regional fisheries enhancement  
9 group account and shall be used exclusively for regional fisheries  
10 enhancement group projects for the purposes of RCW 77.95.110. For the  
11 2011-2013 fiscal biennium, the regional fisheries enhancement group  
12 account may be used for the purposes of RCW 77.95.070 and hatcheries.  
13 Except as provided in RCW 77.95.320, funds from the regional fisheries  
14 enhancement group account shall not serve as replacement funding for  
15 department operated salmon projects that exist on January 1, 1991.

16 All revenue from the department's sale of salmon carcasses and eggs  
17 that return to group facilities shall be deposited in the regional  
18 fisheries enhancement group account for use by the regional fisheries  
19 enhancement group that produced the surplus. The commission shall  
20 adopt rules to implement this section pursuant to chapter 34.05 RCW.

21 **Sec. 928.** RCW 79.22.010 and 2003 c 334 s 205 are each amended to  
22 read as follows:

23 (1) The department has the power to accept gifts and bequests of  
24 money or other property, made in its own name, or made in the name of  
25 the state, to promote generally the interests of reforestation or for  
26 a specific named purpose in connection with reforestation, and to  
27 acquire in the name of the state, by purchase or gift, any lands which  
28 by reason of their location, topography, or geological formation, are  
29 chiefly valuable for purpose of developing and growing timber, and to  
30 designate such lands and any lands of the same character belonging to  
31 the state as state forest lands; and may acquire by gift or purchase  
32 any lands of the same character.

33 (2) The department has the power to seed, plant, and develop  
34 forests on any lands, purchased, acquired, or designated by it as state  
35 forest lands, and shall furnish such care and fire protection for such  
36 lands as it shall deem advisable.

1       (3) Upon approval of the board of county commissioners of the  
2 county in which the land is located such gift or donation of land may  
3 be accepted subject to delinquent general taxes thereon, and upon such  
4 acceptance of such gift or donation subject to such taxes, the  
5 department shall record the deed of conveyance thereof and file with  
6 the assessor and treasurer of the county wherein such land is situated,  
7 written notice of acquisition of such land, and that all delinquent  
8 general taxes thereon, except state taxes, shall be canceled, and the  
9 county treasurer shall thereupon proceed to make such cancellation in  
10 the records of the county treasurer. ((Thereafter, such lands))

11       (4)(a) Lands acquired under this section shall be held in trust,  
12 protected, managed, and administered upon, and the proceeds therefrom  
13 disposed of, under RCW 79.22.040.

14       (b) During the 2011-2013 fiscal biennium, the legislature may  
15 appropriate moneys derived subject to this section from the forest  
16 development account consistent with RCW 79.64.100(4).

17       **Sec. 929.** RCW 79.22.040 and 2003 c 334 s 206 are each amended to  
18 read as follows:

19       (1) If any land acquired by a county through foreclosure of tax  
20 liens, or otherwise, comes within the classification of land described  
21 in RCW 79.22.010 and can be used as state forest land and if the  
22 department deems such land necessary for the purposes of this chapter,  
23 the county shall, upon demand by the department, deed such land to the  
24 department and the land shall become a part of the state forest lands.

25       (2) Such land shall be held in trust and administered and protected  
26 by the department in the same manner as other state forest lands.

27       (3)(a) In the event that the department sells logs using the  
28 contract harvesting process described in RCW 79.15.500 through  
29 79.15.530, the moneys derived subject to this section are the net  
30 proceeds from the contract harvesting sale.

31       (b) During the 2011-2013 fiscal biennium, the legislature may  
32 appropriate moneys derived subject to this section from the forest  
33 development account consistent with RCW 79.64.100(4).

34       **Sec. 930.** RCW 79.64.040 and 2011 1st sp.s. c 50 s 966 and 2011 c  
35 216 s 16 are each reenacted and amended to read as follows:

36       (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, community forest  
5 trust lands, and aquatic lands, provided that no deduction shall be  
6 made from the proceeds from 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 subsections (4) and (6) of this  
12 section, the deductions authorized under this section shall not exceed  
13 twenty-five percent of the moneys received by the department in  
14 connection with any one transaction pertaining to state lands and  
15 aquatic lands other than second-class tide and shore lands and the beds  
16 of navigable waters, and fifty percent of the moneys received by the  
17 department pertaining to second-class tide and shore lands and the beds  
18 of navigable waters.

19 (4) Deductions authorized under this section for transactions  
20 pertaining to community forest trust lands must be established at a  
21 level sufficient to defray over time the management costs for  
22 activities prescribed in a parcel's management plan adopted pursuant to  
23 RCW 79.155.080, and, if deemed appropriate by the board consistent with  
24 RCW 79.155.090, to reimburse the state and any local entities' eligible  
25 financial contributions for acquisition of the parcel.

26 (5) In the event that the department sells logs using the contract  
27 harvesting process described in RCW 79.15.500 through 79.15.530, the  
28 moneys received subject to this section are the net proceeds from the  
29 contract harvesting sale.

30 (6) During the (~~(2009-2011)~~) 2011-2013 fiscal biennium (~~(and fiscal~~  
31 ~~year-2012)~~), the twenty-five percent limitation on deductions set in  
32 subsection (3) of this section may be increased up to thirty percent by  
33 the board.

34 **Sec. 931.** RCW 79.64.100 and 2003 c 334 s 219 are each amended to  
35 read as follows:

36 There is created a forest development account in the state  
37 treasury. The state treasurer shall keep an account of all sums

1 deposited therein and expended or withdrawn therefrom. Any sums placed  
2 in the forest development account shall be pledged for the purpose of  
3 paying interest and principal on the bonds issued by the department  
4 under RCW 79.22.080 and 79.22.090 and the provisions of this chapter,  
5 and for the purchase of land for growing timber. Any bonds issued  
6 shall constitute a first and prior claim and lien against the account  
7 for the payment of principal and interest. No sums for the above  
8 purposes shall be withdrawn or paid out of the account except upon  
9 approval of the department.

10 Appropriations may be made by the legislature from the forest  
11 development account to the department for the purpose of carrying on  
12 the activities of the department on state forest lands, lands managed  
13 on a sustained yield basis as provided for in RCW 79.10.320, and for  
14 reimbursement of expenditures that have been made or may be made from  
15 the resource management cost account in the management of state forest  
16 lands. For the 2011-2013 fiscal biennium, moneys from the forest  
17 development account shall be distributed as directed in section 708 of  
18 this act to the beneficiaries of the revenues derived from state forest  
19 lands. During the 2011-2013 fiscal biennium, the legislature may  
20 appropriate moneys in the forest development account to support  
21 emergency fire suppression activities in a manner that, at a maximum,  
22 represents the proportion of land that the department manages in  
23 comparison to the total land the department conducts emergency fire  
24 suppression activities on.

25 **Sec. 932.** RCW 79.105.150 and 2011 2nd sp.s. c 9 s 911 are each  
26 amended to read as follows:

27 (1) After deduction for management costs as provided in RCW  
28 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys  
29 received by the state from the sale or lease of state-owned aquatic  
30 lands and from the sale of valuable material from state-owned aquatic  
31 lands shall be deposited in the aquatic lands enhancement account which  
32 is hereby created in the state treasury. After appropriation, these  
33 funds shall be used solely for aquatic lands enhancement projects; for  
34 the purchase, improvement, or protection of aquatic lands for public  
35 purposes; for providing and improving access to the lands; and for  
36 volunteer cooperative fish and game projects. During the ((2009-2011  
37 and)) 2011-2013 fiscal ((biennia)) biennium, the aquatic lands

1 enhancement account may also be used for scientific research as part of  
2 the adaptive management process and for developing a planning report  
3 for McNeil Island. During the ((2009-2011-and)) 2011-2013 fiscal  
4 ((biennia)) biennium, the legislature may transfer from the aquatic  
5 lands enhancement account to the state general fund such amounts as  
6 reflect excess fund balance of the account. During the 2011-2013  
7 fiscal biennium, the aquatic lands enhancement account may be used to  
8 support the shellfish program, the ballast water program, parks,  
9 hatcheries, and the Puget Sound toxic sampling program at the  
10 department of fish and wildlife, and the knotweed program at the  
11 department of agriculture.

12 (2) In providing grants for aquatic lands enhancement projects, the  
13 recreation and conservation funding board shall:

14 (a) Require grant recipients to incorporate the environmental  
15 benefits of the project into their grant applications;

16 (b) Utilize the statement of environmental benefits, consideration,  
17 except as provided in RCW 79.105.610, of whether the applicant is a  
18 Puget Sound partner, as defined in RCW 90.71.010, whether a project is  
19 referenced in the action agenda developed by the Puget Sound  
20 partnership under RCW 90.71.310, and except as otherwise provided in  
21 RCW 79.105.630, and effective one calendar year following the  
22 development and statewide availability of model evergreen community  
23 management plans and ordinances under RCW 35.105.050, whether the  
24 applicant is an entity that has been recognized, and what gradation of  
25 recognition was received, in the evergreen community recognition  
26 program created in RCW 35.105.030 in its prioritization and selection  
27 process; and

28 (c) Develop appropriate outcome-focused performance measures to be  
29 used both for management and performance assessment of the grants.

30 (3) To the extent possible, the department should coordinate its  
31 performance measure system with other natural resource-related agencies  
32 as defined in RCW 43.41.270.

33 (4) The department shall consult with affected interest groups in  
34 implementing this section.

35 (5) After January 1, 2010, any project designed to address the  
36 restoration of Puget Sound may be funded under this chapter only if the  
37 project is not in conflict with the action agenda developed by the  
38 Puget Sound partnership under RCW 90.71.310.

1           **Sec. 933.** RCW 79A.25.200 and 2007 c 241 s 53 are each amended to  
2 read as follows:

3           The recreation resource account is created in the state treasury.  
4 Moneys in this account are subject to legislative appropriation. The  
5 board shall administer the account in accordance with this chapter and  
6 chapter 79A.35 RCW and shall hold it separate and apart from all other  
7 money, funds, and accounts of the board. Moneys received from the  
8 marine fuel tax refund account under RCW 79A.25.070 shall be deposited  
9 into the account. Grants, gifts, or other financial assistance,  
10 proceeds received from public bodies as administrative cost  
11 contributions, and moneys made available to the state of Washington by  
12 the federal government for outdoor recreation may be deposited into the  
13 account. During the 2011-2013 fiscal biennia, the recreation resource  
14 account may be used by the department of fish and wildlife for the  
15 purposes of activities related to aquatic and marine enforcement.

16           **Sec. 934.** RCW 82.08.160 and 2011 1st sp.s. c 50 s 969 are each  
17 amended to read as follows:

18           (1) On or before the twenty-fifth day of each month, all taxes  
19 collected under RCW 82.08.150 during the preceding month must be  
20 remitted to the state department of revenue, to be deposited with the  
21 state treasurer. Except as provided in subsections (2) and (3) of this  
22 section, upon receipt of such moneys the state treasurer must credit  
23 sixty-five percent of the sums collected and remitted under RCW  
24 82.08.150 (1) and (2) and one hundred percent of the sums collected and  
25 remitted under RCW 82.08.150 (3) and (4) to the state general fund and  
26 thirty-five percent of the sums collected and remitted under RCW  
27 82.08.150 (1) and (2) to a fund which is hereby created to be known as  
28 the "liquor excise tax fund."

29           (2) During the (~~2011-2013~~) 2012 fiscal (~~biennium~~) year, 66.19  
30 percent of the sums collected and remitted under RCW 82.08.150 (1) and  
31 (2) must be deposited in the state general fund and the remainder  
32 collected and remitted under RCW 82.08.150 (1) and (2) must be  
33 deposited in the liquor excise tax fund.

34           (3) During the 2013 fiscal year, all of the funds collected under  
35 RCW 82.08.150 (1), (2), (3), and (4) must be deposited into the state  
36 general fund.

1       **Sec. 935.** RCW 86.26.007 and 2011 1st sp.s. c 50 s 976 are each  
2 amended to read as follows:

3       The flood control assistance account is hereby established in the  
4 state treasury. At the beginning of the 2005-2007 fiscal biennium, the  
5 state treasurer shall transfer three million dollars from the general  
6 fund to the flood control assistance account. Each biennium thereafter  
7 the state treasurer shall transfer four million dollars from the  
8 general fund to the flood control assistance account, except that  
9 during the (~~2009-2011 and~~) 2011-2013 fiscal (~~biennia~~) biennium, the  
10 state treasurer shall transfer (~~two~~) one million dollars from the  
11 general fund to the flood control assistance account. Moneys in the  
12 flood control assistance account may be spent only after appropriation  
13 for purposes specified under this chapter.

14       **Sec. 936.** RCW 90.48.390 and 2008 c 329 s 925 are each amended to  
15 read as follows:

16       The coastal protection fund is established to be used by the  
17 department as a revolving fund for carrying out the purposes of  
18 restoration of natural resources under this chapter and chapter 90.56  
19 RCW. To this fund there shall be credited penalties, fees, damages,  
20 charges received pursuant to the provisions of this chapter and chapter  
21 90.56 RCW, compensation for damages received under this chapter and  
22 chapter 90.56 RCW, and an amount equivalent to one cent per gallon from  
23 each marine use refund claim under RCW 82.36.330.

24       Moneys in the fund not needed currently to meet the obligations of  
25 the department in the exercise of its powers, duties, and functions  
26 under RCW 90.48.142, 90.48.366, 90.48.367, and 90.48.368 shall be  
27 deposited with the state treasurer to the credit of the fund. During  
28 the 2007-2009 fiscal biennium, the coastal protection fund may also be  
29 used for a standby rescue tug at Neah Bay. During the 2011-2013 fiscal  
30 biennium, the legislature may transfer from the coastal protection fund  
31 to the state general fund such amounts as reflect excess fund balance  
32 derived from penalties, forfeits, and seizures.

33       **Sec. 937.** 2010 c 23 s 205 (uncodified) is amended to read as  
34 follows:

35       (1) The legislature finds that this state's tax policy with respect  
36 to the taxation of transactions between affiliated entities and the



1 income derived from such transactions (intercompany transactions) has  
2 motivated some taxpayers to engage in transactions designed solely or  
3 primarily to minimize the tax effects of intercompany transactions.  
4 The legislature further finds that some intercompany transactions  
5 result from taxpayers that are required to establish affiliated  
6 entities to comply with regulatory mandates and that transactions  
7 between such affiliates effectively increases the tax burden in this  
8 state on the affiliated group of entities.

9 (2) Therefore, as existing resources allow, the department of  
10 revenue is directed to conduct a review of the state's tax policy with  
11 respect to the taxation of intercompany transactions. The review must  
12 include the impacts of such transactions under the state's business and  
13 occupation tax and state and local sales and use taxes. The department  
14 may include other taxes in the review as it deems appropriate.

15 (3) In conducting the review, the department must examine how this  
16 state's tax policy compares to the tax policy of other states with  
17 respect to the taxation of intercompany transactions. The department's  
18 review must include an analysis of potential alternatives to the  
19 current policy of taxing intercompany transactions, including their  
20 estimated revenue impacts if practicable.

21 (4) In conducting this review, the department may seek input from  
22 members of the business community and others as it deems appropriate.

23 (5) The department must report its findings to the fiscal  
24 committees of the house of representatives and senate by December 1,  
25 2010. However, if the department has not completed its review by  
26 December 1, 2010, the department must provide the fiscal committees of  
27 the legislature with a brief status report by December 1, 2010, and the  
28 final report by December 1, ((2011)) 2012.

29 NEW SECTION. **Sec. 938.** A new section is added to 2011 1st sp.s.  
30 c 50 (uncodified) to read as follows:

31 It is the intent of the legislature that regulatory agencies  
32 receiving appropriations in this act work with the office of regulatory  
33 assistance to:

34 (1) Establish a small business liaison team to assist small  
35 businesses with permitting and regulatory issues.

36 (2) Take action to assure that additional violations or corrective  
37 actions that could have been discovered and noted in the original

1 violation or correction notice are not subsequently added and to  
2 provide a single list of any violations discovered during the  
3 regulatory visit or inspection;

4 (3) Provide notice about when the business may expect the results  
5 of a technical assistance or regulatory visit;

6 (4) Provide information about how the business may provide  
7 anonymous feedback regarding a technical assistance or other regulatory  
8 visit; and

9 (5) Provide information regarding the role of the agency's small  
10 business liaison as a neutral party within the agency, as well as  
11 contact information for the liaison.

12 NEW SECTION. **Sec. 939.** A new section is added to 2011 1st sp.s.  
13 c 50 (uncodified) to read as follows:

14 Chapter 50, Laws of 2011 1st sp. sess. (the biennial operating  
15 budget) included funding for the pension system cost of legislation  
16 adopted during the 2011 session of the legislature. No supplemental  
17 rates are authorized for funding that legislation during the remainder  
18 of the 2011-2013 fiscal biennium. Pension contribution rates for the  
19 public employees' retirement system, the public safety employees'  
20 retirement system, the school employees' retirement systems, and the  
21 teachers' retirement system are established.

22 (1) For the public employees' retirement system:

23 (a) Beginning April 1, 2012, an employer contribution rate of 7.08  
24 percent shall be charged;

25 (b) Beginning July 1, 2012, an employer contribution rate of 7.21  
26 percent shall be charged.

27 (2) For the public safety employees' retirement system:

28 (a) Beginning April 1, 2012, an employer contribution rate of 8.74  
29 percent shall be charged;

30 (b) Beginning July 1, 2012, an employer contribution rate of 8.87  
31 percent shall be charged.

32 (3) For the school employees' retirement system:

33 (a) Beginning April 1, 2012, an employer contribution rate of 7.58  
34 percent shall be charged;

35 (b) Beginning September 1, 2012, an employer contribution rate of  
36 7.59 percent shall be charged.

37 (4) For the teachers' retirement system:

1 (a) Beginning April 1, 2012, an employer contribution rate of 8.04  
2 percent shall be charged; and

3 (b) Beginning September 21, 2012, an employer contribution rate of  
4 8.05 percent shall be charged.

5 These rates are inclusive of a department of retirement systems  
6 expense charge of 0.16 percent. The department of retirement systems  
7 shall collect employee contributions as provided in chapter 41.45 RCW.

8 NEW SECTION. **Sec. 940.** If any provision of this act or its  
9 application to any person or circumstance is held invalid, the  
10 remainder of the act or the application of the provision to other  
11 persons or circumstances is not affected.

12 NEW SECTION. **Sec. 941.** This act is necessary for the immediate  
13 preservation of the public peace, health, or safety, or support of the  
14 state government and its existing public institutions, and takes effect  
15 immediately.

(End of Bill)

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1           On page 1, line 1 of the title, after "matters;" strike the  
2 remainder of the title and insert "amending RCW 28B.15.067, 38.52.540,  
3 43.07.129, 43.17.390, 43.30.720, 43.88.110, 43.320.110, 66.08.190,  
4 74.08A.340, 74.48.090, 76.04.610, 77.12.201, 77.12.203, 77.12.210,  
5 79.22.010, 79.22.040, 79.64.100, 79.105.150, 79A.25.200, 82.08.160,  
6 86.26.007, and 90.48.390; amending 2011 2nd sp.s. c 9 ss 101, 102, 103,  
7 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117,  
8 118, 119, 120, 121, 122, 123, 125, 128, 129, 130, 131, 126, 127, 132,  
9 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214,  
10 215, 216, 217, 218, 219, 220, 221, 301, 302, 303, 304, 305, 306, 307,  
11 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 507, 508, 509,  
12 510, 511, 513, 514, 515, 601, 602, 603, 604, 605, 606, 607, 608, 609,  
13 612, 613, 614, 615, 616, 617, 701, 702, 703, and 801 (uncodified);  
14 amending 2011 1st sp.s. c 50 ss 103, 104, 106, 105, 108, 112, 115, 117,  
15 120, 124, 128, 132, 133, 137, 136, 142, 147, 151, 149, 214, 516, 616,  
16 714, 715, 801, 802, 803, 910, 920, 921, and 922 (uncodified); amending  
17 2011 1st sp.s. c 7 s 11 (uncodified); amending 2010 c 23 s 205  
18 (uncodified); reenacting and amending RCW 2.68.020, 70.105D.070, and  
19 79.64.040; adding new sections to 2011 1st sp.s. c 50 (uncodified);  
20 repealing 2011 2nd sp.s. c 9 ss 610, 611, 707, 709, and 710  
21 (uncodified); repealing 2011 1st sp.s. c 50 s 614 (uncodified); making  
22 appropriations; and declaring an emergency."

--- END ---