



PROPOSED SENATE 2014 SUPPLEMENTAL OPERATING BUDGET

**PROPOSED SUBSTITUTE
TO SB 6002**

SENATE CHAIR

**SENATE WAYS & MEANS COMMITTEE
FEBRUARY 24, 2014**

1 AN ACT Relating to fiscal matters; amending RCW 41.05.130,
2 43.43.839, 43.101.220, 43.320.110, 43.350.070, 50.16.010, 51.44.170,
3 67.70.230, 77.36.170, and 82.08.160; amending 2013 2nd sp.s. c 4 ss
4 101, 103, 105, 106, 110, 112, 113, 114, 115, 116, 119, 120, 121, 123,
5 124, 125, 126, 127, 128, 129, 130, 131, 132, 134, 135, 136, 137, 138,
6 139, 140, 141, 142, 143, 144, 145, 147, 148, 149, 201, 202, 203, 204,
7 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218,
8 219, 220, 221, 222, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310,
9 311, 401, 402, 501, 502, 505, 506, 507, 508, 509, 510, 511, 512, 513,
10 514, 515, 516, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612,
11 613, 614, 615, 616, 617, 618, 619, 620, 701, 702, 703, 704, 706, 710,
12 801, 802, 803, 804, 805, 932, 933, 937, 939, and 943 (uncodified);
13 adding new sections to 2013 2nd sp.s. c 4 (uncodified); adding a new
14 section to chapter 28A.710 RCW; making appropriations; and declaring an
15 emergency.

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

17 **PART I**
18 **GENERAL GOVERNMENT**

1 the audit is to identify cost and profit centers within, and in
2 partnership with, the research universities. The audit must focus on
3 public funds; student fees, in particular tuition; and auxiliary
4 enterprises, which for the purposes of the audit at the University of
5 Washington includes University of Washington medical center, the
6 internal lending program, the W fund, and the center for
7 commercialization. The audit at each university must achieve the
8 following:

9 (a) Assess the university's policies and practices for tracking
10 per-student expenditures for instruction and identify the average
11 amount per student that the university has spent on instruction for
12 undergraduate students in each of the past five fiscal years;

13 (b) Obtain the university's definition of auxiliary enterprises and
14 determine the number of auxiliary enterprises, including the University
15 of Washington medical center, the University of Washington internal
16 lending program, the W fund, and the center for commercialization, that
17 exist in the university system, the methods the university uses to
18 track revenue and expenditures of auxiliary enterprises, and the
19 policies and practices the university has in place to ensure that state
20 funding is not used to supplement or guarantee projects or programs
21 authorized by auxiliary enterprises;

22 (c) Identify how much money is being spent on undergraduate
23 education and to what extent undergraduate education is subsidizing
24 graduate education; and

25 (d) Determine how tuition funds are being used and to what extent
26 they are being used to fund the University of Washington medical
27 center, the University of Washington internal lending program, the W
28 fund, and the center for commercialization and to back bonds authorized
29 by the university.

30 (5) The committee shall conduct a study of the current methods of
31 collecting legal financial obligations and compare those methods with
32 other debt collection methods, including contracting for debt
33 collection of legal financial obligations. The study shall include
34 analysis of the costs and revenues of current methods and compare those
35 to alternatives, and include analysis of the impact of current methods
36 and alternatives to revenues received by the state. Included shall be
37 an examination of costs and revenue generation before and after the
38 implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362,

1 Laws of 2005 (SSB 5256) and analysis of whether these changes met the
2 legislative goals of reducing costs and increasing collections. A
3 report on the results of the analysis shall be presented to the
4 appropriate committees of the legislature by December 2014.

5 (6) The committee shall conduct a study of economic development
6 programs and projects supported by the state general fund in the
7 department of commerce. The study shall first review the extent to
8 which these programs: (a) Included specific economic development
9 targets; (b) monitored economic development targets; (c) required for
10 programs which provided support or services through contracts, whether
11 the contracts were structured such that if economic development targets
12 were not met, contracts were reviewed or revised; and (d) changed the
13 economic development targets of associate development organizations
14 relative to funding increases since 2007. The study will include the
15 feasibility of determining how to isolate other factors, such as
16 general economic trends, from the impacts of economic development
17 programs. The costs and options for conducting future analysis of the
18 outcomes specific to economic development programs shall be included
19 and a briefing report shall be provided to the appropriate committees
20 of the legislature by December 1, 2013. A complete report with study
21 data and conclusions shall be provided to the appropriate committees of
22 the legislature by December 1, 2014.

23 (7) The committee shall analyze the incidence and level of taxation
24 and business incentives available to the financial services industry in
25 Washington State, and identify the relative differences in taxes and
26 business incentives compared to California. A report shall be provided
27 to the appropriate committees of the legislature by December 1, 2014.

28 (8) The committee shall conduct an analysis of how school districts
29 use school days. The analysis must include:

30 (a) How school districts define classroom time, nonclassroom time,
31 instructional time, noninstructional time, and any other definitions of
32 how the school day is divided or used;

33 (b) Estimates of time in each category;

34 (c) How noninstructional time is distributed over the annual number
35 of school days;

36 (d) When noninstructional hours occur;

37 (e) How noninstructional hours are used, including how much

1 noninstructional time is devoted to professional development for the
2 purposes of teacher and principal evaluation training or common core
3 state standards training; and

4 (f) The extent to which the use of each category of time is
5 identified or defined in collective bargaining agreements.

6 To the extent data is not available at the statewide level, the
7 committee may use case studies or other methods to conduct the
8 analysis. The committee shall submit a report of its findings to the
9 education committees of the legislature by December 1, 2014.

10 (9) The committee shall review funding enhancement formulas that
11 provide minimum staffing unit funding to small school districts and
12 districts with school plants that have been judged by the state board
13 of education to be remote and necessary. The committee will make an
14 assessment of the current formulas and report any recommended
15 adjustments to the legislative fiscal committees of the senate and the
16 house of representatives by November 1, 2014. In assessing the current
17 formulas, the committee may consider: Enhancements being made to basic
18 education funding in the 2013-2015 omnibus appropriations act and
19 committed to under Engrossed Substitute House Bill No. 2261 (chapter
20 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236,
21 Laws of 2010); developments in technology or educational service
22 delivery since the formulas were established; practices in other
23 states; districts' ability to provide students with access to a program
24 of education; and inter-district equity.

25 ~~((+12))~~ (10) In carrying out the report required by RCW 44.28.157,
26 the committee shall include by December 2014, an analysis of the
27 impacts of using the Washington health benefit exchange established in
28 chapter 43.71 RCW as a mechanism for providing health insurance for
29 part-time certificated and classified K-12 public school employees.
30 The analysis shall be conducted in coordination with the health care
31 authority and shall include a review of how the exchange, federal
32 health premium tax credits and subsidies for out-of-pocket expenses
33 administered through the exchange, and Medicaid expansion have
34 impacted, or could impact, health care costs for individuals, school
35 districts, and the state. The analysis shall also include a review of
36 the cost of stand-alone dental plans.

37 (11) \$174,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$348,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the purposes of Engrossed
2 Substitute Senate Bill No. 6512 (federal funding and state law). If
3 the bill is not enacted by June 30, 2014, the amounts provided in this
4 subsection shall lapse.

5 **Sec. 103.** 2013 2nd sp.s. c 4 s 105 (uncodified) is amended to read
6 as follows:

7 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

8	General Fund--State Appropriation (FY 2014)	((\$8,004,000))
9		<u>\$8,119,000</u>
10	General Fund--State Appropriation (FY 2015)	((\$7,973,000))
11		<u>\$8,088,000</u>
12	TOTAL APPROPRIATION	((\$15,977,000))
13		<u>\$16,207,000</u>

14 **Sec. 104.** 2013 2nd sp.s. c 4 s 106 (uncodified) is amended to read
15 as follows:

16 **FOR THE OFFICE OF THE STATE ACTUARY**

17	<u>General Fund--State Appropriation (FY 2014)</u>	<u>\$250,000</u>
18	<u>General Fund--State Appropriation (FY 2015)</u>	<u>\$1,313,000</u>
19	<u>General Fund--Federal Appropriation</u>	<u>\$163,000</u>
20	<u>State Health Care Administration Account</u>	<u>\$227,000</u>
21	Department of Retirement Systems Expense	
22	Account--State Appropriation	((\$3,529,000))
23		<u>\$3,543,000</u>
24	TOTAL APPROPRIATION	<u>\$5,496,000</u>

25 (1) \$250,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$1,150,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for contracted actuarial support
28 to the task force established in chapter 338, Laws of 2013. The state
29 actuary shall coordinate with the forecast per capita technical work
30 groups for physical health, behavioral health, and chemical dependency
31 services, and with the research and data analysis division within the
32 department of social and health services, in developing a statement and
33 scope of work for a request for proposals. The state actuary shall
34 manage and provide objective oversight to the selection process of an
35 actuarial firm and also manage the ongoing development and delivery of
36 work products for the task force to review. The scope of work for the

1 contracted actuary must include a review of the current public
2 purchasing and delivery system design for both medicaid and nonmedicaid
3 services related to health, behavioral health, and chemical dependency.

4 (2) \$163,000 of the general fund--state appropriation for fiscal
5 year 2015, \$163,000 of the general fund--federal appropriation, and
6 \$227,000 of the state health care administration account appropriation
7 are provided to improve the legislature's access to independent and
8 objective health care actuarial analysis for the state medicaid and
9 public employee benefits programs.

10 **Sec. 105.** 2013 2nd sp.s. c 4 s 110 (uncodified) is amended to read
11 as follows:

12 **FOR THE SUPREME COURT**

13	General Fund--State Appropriation (FY 2014)	((\$6,911,000))
14		<u>\$6,949,000</u>
15	General Fund--State Appropriation (FY 2015)	((\$6,836,000))
16		<u>\$6,924,000</u>
17	TOTAL APPROPRIATION	((\$13,747,000))
18		<u>\$13,873,000</u>

19 **Sec. 106.** 2013 2nd sp.s. c 4 s 112 (uncodified) is amended to read
20 as follows:

21 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

22	General Fund--State Appropriation (FY 2014)	((\$1,068,000))
23		<u>\$1,069,000</u>
24	General Fund--State Appropriation (FY 2015)	((\$994,000))
25		<u>\$993,000</u>
26	TOTAL APPROPRIATION	\$2,062,000

27 **Sec. 107.** 2013 2nd sp.s. c 4 s 113 (uncodified) is amended to read
28 as follows:

29 **FOR THE COURT OF APPEALS**

30	General Fund--State Appropriation (FY 2014)	((\$15,691,000))
31		<u>\$15,803,000</u>
32	General Fund--State Appropriation (FY 2015)	((\$15,685,000))
33		<u>\$15,869,000</u>
34	TOTAL APPROPRIATION	((\$31,376,000))
35		<u>\$31,672,000</u>

1 expended only if the fourth superior court judge position in Whatcom
2 county is appointed and serving on the bench.

3 ~~((7) \$108,000 of the general fund--state appropriation for fiscal~~
4 ~~year 2014 and))~~ (6) \$108,000 of the general fund--state appropriation
5 for fiscal year 2015 ((are)) is provided solely for the implementation
6 of chapter 142, Laws of 2013 (House Bill No. 1175) (superior court
7 judges Benton/Franklin counties). The funds provided in this
8 subsection shall be expended only if the seventh superior court judge
9 position in Benton and Franklin counties jointly is appointed and
10 serving on the bench.

11 ~~((8) \$11,300,000))~~ (7) \$16,606,000 of the judicial information
12 systems account--state appropriation is provided solely for continued
13 implementation of the superior court case management system project.
14 The administrative office of the courts, in consultation with the
15 judicial information systems committee, the superior court case
16 management system project steering committee, and the office of the
17 chief information officer shall develop a revised charter to implement
18 the next phases of the superior court case management system. The
19 revised charter shall insure that the superior court case management
20 system project steering committee continues to provide contract
21 oversight, in collaboration with the judicial information system
22 committee, through the implementation period and various phases of the
23 project. Oversight responsibilities throughout the various phases of
24 the project must include, but are not limited to, vendor management,
25 contract and deliverable management, and assuring satisfaction of the
26 business and technical needs at the local level. The superior court
27 case management system project steering committee may solicit input
28 from user groups as deemed appropriate. The revised charter shall be
29 approved by the judicial information systems committee.

30 ~~((9))~~ (8) \$1,399,000 of the general fund--state appropriation for
31 fiscal year 2014 and \$1,399,000 of the general fund--state
32 appropriation for fiscal year 2015 are provided solely for school
33 districts for petitions to juvenile court for truant students as
34 provided in RCW 28A.225.030 and 28A.225.035. The administrator for the
35 courts shall develop an interagency agreement with the superintendent
36 of public instruction to allocate the funding provided in this
37 subsection. Allocation of this money to school districts shall be
38 based on the number of petitions filed. This funding includes amounts

1 school districts may expend on the cost of serving petitions filed
2 under RCW 28A.225.030 by certified mail or by personal service or for
3 the performance of service of process for any hearing associated with
4 RCW 28A.225.030.

5 ~~((+10))~~ (9)(a) \$7,313,000 of the general fund--state appropriation
6 for fiscal year 2014 and \$7,313,000 of the general fund--state
7 appropriation for fiscal year 2015 are provided solely for distribution
8 to county juvenile court administrators to fund the costs of processing
9 truancy, children in need of services, and at-risk youth petitions.
10 The administrator for the courts, in conjunction with the juvenile
11 court administrators, shall develop an equitable funding distribution
12 formula. The formula shall neither reward counties with higher than
13 average per-petition processing costs nor shall it penalize counties
14 with lower than average per-petition processing costs.

15 (b) Each fiscal year during the 2013-2015 fiscal biennium, each
16 county shall report the number of petitions processed and the total
17 actual costs of processing truancy, children in need of services, and
18 at-risk youth petitions. Counties shall submit the reports to the
19 administrator for the courts no later than 45 days after the end of the
20 fiscal year. The administrator for the courts shall electronically
21 transmit this information to the chairs and ranking minority members of
22 the house of representatives and senate fiscal committees no later than
23 60 days after a fiscal year ends. These reports are deemed
24 informational in nature and are not for the purpose of distributing
25 funds.

26 ~~((+11))~~ (10) \$274,000 of the general fund--state appropriation for
27 fiscal year 2014 and \$274,000 of the general fund--state appropriation
28 for fiscal year 2015 are provided solely for the office of public
29 guardianship to continue guardianship services for those low-income
30 incapacitated persons who were receiving services on June 30, 2013.

31 ~~((+12)---\$333,000))~~ (11) \$1,426,000 of the judicial information
32 systems account--state appropriation is provided solely for the content
33 management system for the appellate courts.

34 (12) \$59,000 of the general fund--state appropriation for fiscal
35 year 2015 is provided solely for the implementation of Senate Bill No.
36 5981 (Mason county superior court judge). The funds provided in this
37 subsection shall be expended only if the third superior court judge

1 position in Mason county is appointed and serving on the bench. If the
2 bill is not enacted by June 30, 2014, the amount provided in this
3 subsection shall lapse.

4 **Sec. 109.** 2013 2nd sp.s. c 4 s 115 (uncodified) is amended to read
5 as follows:

6 **FOR THE OFFICE OF PUBLIC DEFENSE**

7	General Fund--State Appropriation (FY 2014)	((\$30,410,000))
8		<u>\$30,859,000</u>
9	General Fund--State Appropriation (FY 2015)	((\$33,719,000))
10		<u>\$35,440,000</u>
11	Judicial Stabilization Trust Account--State	
12	Appropriation	\$3,648,000
13	General Fund--Federal Appropriation	((\$152,000))
14		<u>\$304,000</u>
15	TOTAL APPROPRIATION	((\$67,929,000))
16		<u>\$70,251,000</u>

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

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

21 (2) \$3,378,000 of the general fund--state appropriation for fiscal
22 year 2015 is provided solely to expand the parents representation
23 program into Asotin, Columbia, Garfield, King, Whatcom, and Whitman
24 counties.

25 (3) \$225,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$1,721,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for parents representation program
28 costs related to increased parental rights termination filings from the
29 department of social and health services permanency initiative.

30 **Sec. 110.** 2013 2nd sp.s. c 4 s 116 (uncodified) is amended to read
31 as follows:

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

33	General Fund--State Appropriation (FY 2014)	((\$10,862,000))
34		<u>\$10,910,000</u>
35	General Fund--State Appropriation (FY 2015)	((\$10,870,000))
36		<u>\$11,699,000</u>

1 of the state contribution. The office of the secretary of state may
2 make full or partial payment once all criteria in this subsection have
3 been satisfactorily documented.

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

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

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

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

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

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

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

27 (4) It is the intent of the legislature to consider during the 2014
28 legislative session funding for the publication and distribution of a
29 primary election voters pamphlet.

30 (5) \$771,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$772,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for the state library to purchase
33 statewide on-line access to the information technology academy to allow
34 public access to on-line courses and learning resources through public
35 libraries.

36 **Sec. 113.** 2013 2nd sp.s. c 4 s 121 (uncodified) is amended to read
37 as follows:

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

2	General Fund--State Appropriation (FY 2014)	((\$253,000))
3		<u>\$250,000</u>
4	General Fund--State Appropriation (FY 2015)	((\$248,000))
5		<u>\$251,000</u>
6	TOTAL APPROPRIATION	\$501,000

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

18 **Sec. 114.** 2013 2nd sp.s. c 4 s 123 (uncodified) is amended to read
19 as follows:

20 **FOR THE STATE TREASURER**

21	State Treasurer's Service Account--State	
22	Appropriation	((\$14,924,000))
23		<u>\$14,945,000</u>

24 The appropriation in this section is subject to the following
25 conditions and limitations: \$150,000 of the state treasurer's service
26 account--state appropriation is provided solely for legal fees related
27 to additional legal assistance due to changes in federal financial
28 regulations and an increase in complex and high profile litigation.

29 **Sec. 115.** 2013 2nd sp.s. c 4 s 124 (uncodified) is amended to read
30 as follows:

31 **FOR THE STATE AUDITOR**

32	General Fund--State Appropriation (FY 2014)	((\$728,000))
33		<u>\$755,000</u>
34	General Fund--State Appropriation (FY 2015)	((\$733,000))
35		<u>\$762,000</u>
36	State Auditing Services Revolving Account--State	

1	Appropriation	((\$9,573,000))
2		<u>\$9,869,000</u>
3	((Performance Audits of Government Account--State	
4	Appropriation	(\$56,000))
5	TOTAL APPROPRIATION	((\$11,090,000))
6		<u>\$11,386,000</u>

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

9 (1) (~~(\$728,000)~~) \$755,000 of the general fund--state appropriation
10 for fiscal year 2014 and (~~(\$733,000)~~) \$758,000 of the general fund--
11 state appropriation for fiscal year 2015 are provided solely for staff
12 and related costs to verify the accuracy of reported school district
13 data submitted for state funding purposes; conduct school district
14 program audits of state funded public school programs; establish the
15 specific amount of state funding adjustments whenever audit exceptions
16 occur and the amount is not firmly established in the course of regular
17 public school audits; and to assist the state special education safety
18 net committee when requested.

19 (2)(a) \$300,000 of the state auditing services revolving account--
20 state appropriation is provided solely to contract with a private firm
21 with accounting expertise to conduct an audit of the use of dedicated
22 local and operating fee accounts by the state's public institutions of
23 higher education. The legislature intends that tuition revenue be
24 expended in support of instruction and student support services and
25 that other dedicated fees are expended for the purposes for which they
26 are charged. As a result, the legislature directs this audit to
27 examine the accounting of these accounts; to provide clarity regarding
28 the use of these accounts; and to make recommendations for improvement
29 that will support the ongoing clarity, transparency, and accurate
30 accounting of the use of these accounts in accordance with legislative
31 intent. The final audit must include:

32 (i) For the 2003-2005 through the 2011-2013 fiscal biennium, a
33 thorough examination of the accounting, as required by governmental
34 accounting standards board requirements that govern accounting
35 functions of the office of financial management, of:

- 36 (A) All revenue into these accounts;
- 37 (B) All expenditures out of these accounts; and
- 38 (C) All transfers to, from, and within these accounts;

1 accountability in all executive branch agencies and statewide elected
2 offices; (b) coordinate and work with the commission on judicial
3 conduct and the legislative ethics board; (c) assess and evaluate each
4 agency's ethical culture through employee and stakeholder surveys,
5 review Washington state quality award feedback reports, and publish an
6 annual report on the results to the public; and (d) solicit outside
7 evaluations, studies, and recommendations for improvements from
8 academics, nonprofit organizations, the public disclosure commission,
9 or other entities with expertise in ethics, integrity, and the public
10 sector.

11 (5) \$424,000 of the legal services revolving account--state
12 appropriation is provided solely for replacement of a portion of the
13 agency's personal computers. The amount provided in this subsection is
14 conditioned on the department satisfying the requirements of the
15 project management oversight standards and policies established by the
16 office of the chief information officer and section 945 of this act,
17 personal computer acquisition and replacement.

18 (6) \$609,000 of the legal services revolving account--state
19 appropriation is provided solely for upgrades to software programs.
20 The amount provided in this subsection is conditioned on the department
21 satisfying the requirements of the project management oversight
22 standards and policies established by the office of the chief
23 information officer.

24 (7) \$150,000 of the legal services revolving account--state
25 appropriation is provided solely for the implementation of Engrossed
26 Second Substitute Senate Bill No. 5405 (extended foster care). If the
27 bill is not enacted by June 30, 2013, the amount provided in this
28 subsection shall lapse.

29 (8) \$50,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$50,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the implementation of
32 Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If
33 the bill is not enacted by June 30, 2013, the amount provided in this
34 subsection shall lapse.

35 (9) \$189,000 of the legal services revolving account--state
36 appropriation is provided solely for the implementation of Substitute
37 House Bill No. 1420 (transportation improvement projects). If the bill

1 is not enacted by June 30, 2013, the amount provided in this subsection
2 shall lapse.

3 (10) \$2,093,000 of the public service revolving account--state
4 appropriation is provided solely for the work of the public counsel
5 section of the office of the attorney general.

6 (11) \$353,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$353,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for a grant to the Washington
9 coalition of crime victim advocates to provide training, certification,
10 and technical assistance for crime victim service center advocates.

11 (12) \$182,000 of the general fund--state appropriation for fiscal
12 year 2015 and \$3,402,000 of the legal services revolving account--state
13 appropriation are provided solely for the purposes of salary
14 adjustments addressing recruitment and retention issues for assistant
15 attorneys general in the first six years of their employment with the
16 attorney general's office.

17 **Sec. 118.** 2013 2nd sp.s. c 4 s 127 (uncodified) is amended to read
18 as follows:

19 **FOR THE CASELOAD FORECAST COUNCIL**

20	General Fund--State Appropriation (FY 2014)	(((\$1,260,000))
21		<u>\$1,210,000</u>
22	General Fund--State Appropriation (FY 2015)	(((\$1,230,000))
23		<u>\$1,202,000</u>
24	TOTAL APPROPRIATION	(((\$2,490,000))
25		<u>\$2,412,000</u>

26 **Sec. 119.** 2013 2nd sp.s. c 4 s 128 (uncodified) is amended to read
27 as follows:

28 **FOR THE DEPARTMENT OF COMMERCE**

29	General Fund--State Appropriation (FY 2014)	(((\$63,076,000))
30		<u>\$61,053,000</u>
31	General Fund--State Appropriation (FY 2015)	(((\$60,151,000))
32		<u>\$61,018,000</u>
33	General Fund--Federal Appropriation	(((\$265,004,000))
34		<u>\$266,827,000</u>
35	General Fund--Private/Local Appropriation	(((\$5,638,000))
36		<u>\$5,620,000</u>

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

8 ~~(2) ((\$500,000 of the general fund--state appropriation for fiscal~~
9 ~~year 2014 and \$500,000 of the general fund--state appropriation for~~
10 ~~fiscal year 2015 are provided solely for a grant to resolution~~
11 ~~Washington to building statewide capacity for alternative dispute~~
12 ~~resolution centers and dispute resolution programs that guarantee that~~
13 ~~citizens have access to low-cost resolution as an alternative to~~
14 ~~litigation.))~~ The director is authorized to expend \$1,000,000 from the
15 financial services regulation fund during the fiscal biennium solely
16 for a grant to resolution Washington to build statewide capacity for
17 alternative dispute resolution centers and dispute resolution programs
18 that guarantee that citizens have access to low-cost resolution as an
19 alternative to litigation.

20 (3) \$306,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$306,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for a grant to the retired senior
23 volunteer program.

24 (4) The department shall administer its growth management act
25 technical assistance and pass-through grants so that smaller cities and
26 counties receive proportionately more assistance than larger cities or
27 counties.

28 (5) \$375,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$375,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely as pass-through funding to Walla
31 Walla Community College for its water and environmental center.

32 (6) \$1,800,000 of the home security fund--state appropriation is
33 provided for transitional housing assistance or partial payments for
34 rental assistance under the independent youth housing program.

35 (7) \$5,000,000 of the home security fund--state appropriation is
36 for the operation, repair, and staffing of shelters in the homeless
37 family shelter program.

1 (8) \$198,000 of the general fund--state appropriation for fiscal
2 year 2014 and (~~(\$198,000)~~) \$396,000 of the general fund--state
3 appropriation for fiscal year 2015 are provided solely for the
4 Washington new Americans program.

5 (9) \$2,949,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$2,949,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for associate development
8 organizations. During the 2013-2015 fiscal biennium, the department
9 shall consider an associate development organization's total resources
10 when making contracting and fund allocation decisions, in addition to
11 the schedule provided in RCW 43.330.086.

12 (10) \$234,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$233,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for the Washington asset building
15 coalitions.

16 (11) \$5,605,000 of the liquor revolving account--state
17 appropriation is provided solely for the department to contract with
18 the municipal research and services center of Washington.

19 (12) \$500,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$500,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the purposes of purchasing
22 contracted services to expand and promote the tourism industry in the
23 state of Washington.

24 (a) The department must contract with the Washington tourism
25 alliance. Expenditure of state moneys is contingent upon the
26 contractor providing a dollar for dollar cash or in-kind match.
27 Funding must be provided for the following services:

28 (i) Serving as a central point of contact through developing and
29 maintaining a web portal for Washington tourism, operating a call
30 center, and mailing travel guides;

31 (ii) Promoting Washington as a tourism destination to national and
32 international markets, with emphasis on markets in Europe and Asia;

33 (iii) Providing information to businesses and local communities on
34 tourism opportunities that could expand local revenues; and

35 (iv) Conducting tourism-related research, including market research
36 and measuring the return on investment of funded activities.

37 (b) The department may not use more than 4 percent of the funds to
38 administer, monitor, and report the outcomes of the services. The

1 department must electronically submit performance metrics by January 1,
2 2014, and report the outcomes of the services by January 1, 2015, to
3 the economic development committees of the legislature.

4 (c) The department has the authority to designate one or more
5 alternative contractors if necessary due to performance or other
6 significant issues. Such change must only be made after consultation
7 with the Washington tourism alliance, the governor's office, and the
8 chairs and ranking members of the economic development committees of
9 the legislature.

10 (13) \$72,000 of the prostitution prevention and intervention
11 account is provided solely for implementation of Engrossed Substitute
12 House Bill No. 1291 (sex trade victims). If the bill is not enacted by
13 June 30, 2013, the amount provided in this subsection shall lapse.

14 (14) \$49,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$49,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for implementation of House Bill
17 No. 1818 (business and government streamlining). If the bill is not
18 enacted by June 30, 2013, the amounts provided in this subsection shall
19 lapse.

20 (15) \$36,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$37,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for the department to develop an
23 economic cluster strategy to leverage the state's unique maritime
24 assets, geography, history, and infrastructure. Goals include growing
25 employment, targeted economic activity, environmental considerations,
26 tax revenue to state and local governments, and quality of life
27 associated with the maritime sector by working with the industry to
28 understand workforce needs, parity considerations with Oregon and
29 British Columbia, and tax structure and regulatory barriers. The
30 department will report its findings to the appropriate committees of
31 the legislature no later than December 1, 2014.

32 (16) \$2,000,000 of the Washington housing trust account--state
33 appropriation is provided solely for the department of commerce for
34 services to homeless families through the Washington families fund.

35 (17) \$5,000,000 of the home security account--state appropriation
36 is provided solely for the department of commerce to provide emergency
37 assistance to homeless families in the temporary assistance for needy
38 families program.

1 (18) \$75,000 of the general fund--state appropriation for fiscal
2 year 2014 is provided solely for the economic development commission to
3 retain one current administrative position. The department shall
4 convene a work group, chaired by the current chair of the economic
5 development commission, of representatives of associate development
6 organizations and the economic development commission to recommend:
7 (1) Changes to the economic development commission's purpose and source
8 and amount of funding; (2) objective benchmarks and outcome-based
9 performance measures for evaluating state investments in economic
10 development; (3) high priority regulatory reforms to foster a favorable
11 business climate for long-term private sector job creation and
12 competitiveness; and (4) organizational roles responsibilities and
13 structures to strengthen cohesive planning, streamline execution, and
14 improve outcomes. The work group shall be comprised of representatives
15 from no less than eight associate development organizations
16 representing both urban and rural counties and counties on both sides
17 of the Cascade range. The department shall submit a report of the work
18 group's recommendation to the fiscal and economic development policy
19 committees of the legislature by December 15, 2013.

20 (19) (~~(\$4,000,000)~~) \$2,515,000 of the general fund--state
21 appropriation for fiscal year 2014 and (~~(\$850,000)~~) \$1,875,000 of the
22 general fund--state appropriation for fiscal year 2015 are provided
23 solely for purposes of (~~creating and operating a community health care
24 and education and innovation center at the Pacific Medical Center in
25 Seattle. Amounts provided in this subsection must be used for lease,
26 maintenance, operations, and other required related expenses for
27 Seattle community colleges allied health programs and other related
28 uses identified by the department of commerce. The department is
29 authorized to enter into a thirty-year lease for the Pacific Medical
30 Center property~~) the lease, maintenance, operations and other related
31 expenses at the Pacific medical center in Seattle. The department is
32 authorized to enter into a thirty-year lease for the Pacific medical
33 center property and is directed to generate revenue from subleases to
34 the greatest extent possible, consistent with the terms of the lease.

35 (20) Within the appropriations in this section, the department
36 shall, by December 1, 2013, develop a comprehensive start-up Washington
37 strategy to facilitate the growth of start-ups and enhance the state's
38 competitiveness in recruiting and retaining businesses that start up in

1 Washington. This shall include but is not limited to: Business and
2 occupation tax relief, capital investment, regulatory burdens,
3 workforce and infrastructure needs and support. Start-up businesses
4 interactions with state government and other public entities as a
5 customer shall also be considered.

6 (21) \$700,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$700,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for the department to identify and
9 invest in strategic growth areas, support key sectors, and align
10 existing economic development programs and priorities. The department
11 must consider Washington's position as the most trade dependent state
12 when identifying priority investments. The department must engage
13 states and provinces in the northwest as well as associate development
14 organizations, small business development centers, chambers of
15 commerce, ports, and other partners to leverage the funds provided.
16 For each dollar expended the department must receive a one hundred
17 percent match. The match may be provided by the department through
18 nongeneral fund sources, or any partnering governments or
19 organizations. Sector leads established by the department must include
20 the industries of: (a) Tourism; (b) agriculture, wood products, and
21 other natural resource industries; and (c) clean technology and
22 renewable and nonrenewable energy. The department must develop
23 performance metrics and milestones. The department must electronically
24 submit the performance metrics and performance-to-date by January 1,
25 2014, to the economic development committees of the legislature.

26 (22) The department is authorized to suspend issuing any
27 nonstatutorily required grants or contracts of an amount less than
28 \$1,000,000 per year.

29 (23) The department is authorized to require an applicant to pay an
30 application fee to cover the cost of reviewing the project and
31 preparing an advisory opinion on whether a proposed electric generation
32 project or conservation resource qualifies to meet mandatory
33 conservation targets.

34 (24) \$25,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$25,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for the economic impact and
37 infrastructure cost study for Covington town center.

1 (25) The department is directed to work with innovation partnership
2 zone administrators to review the existing grant program, including the
3 criteria for designation as an innovation partnership zone and the
4 grant funding criteria. The department shall submit its report to the
5 legislature by December 1, 2013.

6 (26) Within existing resources, the department shall provide
7 administrative and other indirect support to the developmental
8 disabilities council.

9 (27) \$5,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$45,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the department to contract
12 with the University of Washington women's center to conduct a study to
13 research supply chain policies related to labor practices of small,
14 medium, and large businesses. The study shall analyze whether or not
15 there is a correlation between supply chain management practices that
16 protect workers from human trafficking and unsafe working conditions
17 and higher shareholder value and/or market share. The study will
18 examine the impact of corporate sourcing practices in social media
19 feedback and in customer satisfaction. The study shall provide case
20 studies and best practices in ethical sourcing practices that protect
21 workers. The study shall recommend how to evaluate and monitor supply
22 chain management related to labor and vendor management practices of
23 companies without bias. The study shall make recommendations on how
24 the state can design legislation on global ethical sourcing practices
25 that is comprehensive, pragmatic, and enforceable. The study shall be
26 presented to the house of representatives and senate commerce and labor
27 committees no later than January 31, 2015.

28 (28) \$144,000 of the general fund--state appropriation for fiscal
29 year 2015 is provided solely to the following community mobilization
30 organizations in the following amounts:

31 (a) \$21,000 to TOGETHER for Drug Free Youth of Chelan and Douglas
32 counties;

33 (b) \$61,000 to safe streets campaign of Pierce county;

34 (c) \$32,000 to TOGETHER of Thurston county; and

35 (d) \$30,000 to safe Yakima valley of Yakima county.

36 (29) \$1,635,000 of the general fund--state appropriation for fiscal
37 year 2015 is provided solely for the department's international trade
38 program and foreign trade contracts and subject to the following

1 conditions and limitations: The department shall contract for the
 2 activities and services of its international trade office to include,
 3 but not be limited to, market development assistance and training;
 4 business matchmaking services such as trade shows, missions, and
 5 partner searches; foreign trade representatives, and other activities
 6 that assist Washington companies in exporting their products and
 7 services or expand market share abroad. Vendors must have the option
 8 of providing all or portions of these activities. The annual level of
 9 funding for the contract shall be based on amount provided in this
 10 subsection. The contract shall begin June 1, 2015, and shall be for a
 11 term no longer than three years. Activities currently under contract
 12 may be renewed, but for a term no longer than June 1, 2015.

13 **Sec. 120.** 2013 2nd sp.s. c 4 s 129 (uncodified) is amended to read
 14 as follows:

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

16	General Fund--State Appropriation (FY 2014)	(((\$764,000))
17		<u>\$757,000</u>
18	General Fund--State Appropriation (FY 2015)	(((\$802,000))
19		<u>\$809,000</u>
20	Lottery Administrative Account--State Appropriation	\$50,000
21	TOTAL APPROPRIATION	\$1,616,000

22 **Sec. 121.** 2013 2nd sp.s. c 4 s 130 (uncodified) is amended to read
 23 as follows:

24 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

25	General Fund--State Appropriation (FY 2014)	(((\$18,414,000))
26		<u>\$18,182,000</u>
27	General Fund--State Appropriation (FY 2015)	(((\$17,542,000))
28		<u>\$18,526,000</u>
29	General Fund--Federal Appropriation	(((\$31,340,000))
30		<u>\$34,340,000</u>
31	General Fund--Private/Local Appropriation	\$370,000
32	Economic Development Strategic Reserve Account--State	
33	Appropriation	\$289,000
34	Personnel Service Fund--State Appropriation	(((\$8,656,000))
35		<u>\$8,642,000</u>

1 (3) \$536,000 of the general fund--state appropriation for fiscal
2 year 2014 is provided solely for a study of the state's medical and
3 public assistance eligibility systems and infrastructure with the goal
4 of simplifying procedures, improving customer service, and reducing
5 state expenditures. The study must also examine which state entities
6 play various roles in the eligibility and data verification processes
7 in order to determine if eligibility processes can be further
8 streamlined in light of changes related to the federal affordable care
9 act. The study must identify how costs will be allocated between state
10 and federal funding sources and options for maximizing federal
11 participation. The office of financial management shall provide a
12 report on its findings and recommendations to the relevant policy and
13 fiscal committees of the legislature by January 1, 2014.

14 (4)(a) The legislature finds that the state's nationally recognized
15 student achievement initiative has led to significant improvements at
16 two-year institutions of higher education. With the goal of creating
17 such efficiencies within the four-year institutions of higher
18 education, the office of financial management shall convene, in
19 coordination with the joint committee on higher education and the
20 student achievement council, a technical incentive funding model task
21 force to propose an incentive funding model for the four-year
22 institutions of higher education. The model will provide new incentive
23 funding to four-year institutions of higher education that demonstrate
24 improvement on existing performance measures and control resident
25 undergraduate tuition growth. Participation in the program is
26 voluntary; however, funding appropriated for this program shall only be
27 available to those institutions that have chosen to participate in the
28 program.

29 (b) The task force must include the following members:

30 (i) One representative from the student achievement council;

31 (ii) One representative from the education data center created in
32 RCW 43.41.400; and

33 (iii) One representative from each of the four-year institutions of
34 higher education.

35 (c) The program shall include, but shall not be limited to:

36 (i) A system for allocating new incentive funding to participating
37 institutions based on an institution's:

38 (A) Performance in specific metrics;

1 (B) Control and reduction where possible of resident undergraduate
2 and graduate tuition; and

3 (C) Efficient utilization of classrooms, laboratories, and online
4 and other high technology instructional methods;

5 (ii) A methodology for allocating funding for performance as
6 specified in (c)(i)(A) of this subsection that is based on performance
7 metrics reported in the accountability monitoring and reporting system
8 established in RCW 28B.77.090 and that recognizes each institution's
9 unique mission by measuring each institution's performance in these
10 metrics against its past performance;

11 (iii) A methodology for investing any unallocated incentive funds
12 to the state need grant program created in chapter 28B.92 RCW to expand
13 access to low-income and underserved student populations; and

14 (iv) A methodology for establishing a baseline level of state
15 funding that:

16 (A) Fully supports the state's need for an increasing portion of
17 its citizens to gain post-secondary education and qualifications;

18 (B) Recognizes the acute need of the state's high-technology
19 economy for a sufficient number of graduates in high employer demand
20 programs of study;

21 (C) Achieves a more equitable share of support between the state
22 and students and their families; and

23 (D) Provides for funding enhancements based on demonstrated
24 improvements in institutional performance within the educational
25 achievement and tuition reduction incentive program.

26 (d) The workgroup shall submit a final report containing an
27 incentive funding model to the governor and higher education and fiscal
28 committees of the legislature by December 31, 2013.

29 (5) \$1,000,000 of the general fund--state appropriation for fiscal
30 year 2015 is provided solely for the office of financial management to
31 contract with a statewide nonprofit organization with expertise in
32 promoting and supporting STEM education from early learning through
33 postsecondary education in accordance with chapter 25, Laws of 2013 2nd
34 sp. sess.

35 (6) \$46,000 of the general fund--state appropriation for fiscal
36 year 2015 is provided solely for the education data center to:

37 (a) Collect and publish short-term and long-term earnings and
38 employment data for completers of higher education degrees,

1 apprenticeships, and certificates awarded by institutions of higher
2 education as defined in RCW 28B.10.016 for each institution on its web
3 site by October 1, 2014;

4 (b) With the assistance of the legislative evaluation and
5 accountability program committee, make publicly available on its web
6 site a detailed inventory of the data that are contained in the data
7 warehouse. The data center and its contributors shall continue to
8 expand efforts to improve the integrity of the information and web site
9 displays to maximize value and utility. The education data center
10 shall also collaborate with the legislative evaluation and
11 accountability program committee to broadly disseminate meaningful
12 information on the publicly accessible web sites by expanding and
13 increasing interactive web-based reporting; and

14 (c) In consultation with the state board for community and
15 technical colleges, the workforce training and education coordinating
16 board, representatives of the public four-year institutions of higher
17 education, and the legislative evaluation and accountability program
18 committee, prepare, or contract with an entity to prepare, an economic
19 success metrics report of employment and earnings outcomes for degrees,
20 apprenticeships, and certificates earned at institutions of higher
21 education. The final report shall be published on the education data
22 center web site and delivered to the governor and the higher education
23 and fiscal committees of the legislature by November 1, 2014.

24 (7) Consistent with chapter 9.94A RCW, the sentencing guidelines
25 commission shall undertake a thorough review of juvenile sentencing as
26 it relates to the intersection of the adult and juvenile justice
27 systems and make recommendations for reforms that promote improved
28 outcomes for youth, public safety, and taxpayer resources. The review
29 shall include, but is not limited to:

30 (a) The process and circumstances for transferring a juvenile to
31 adult jurisdiction, including discretionary and mandatory decline
32 hearings and automatic transfer to adult jurisdiction;

33 (b) Sentencing standards, term lengths, sentencing enhancements,
34 and stacking provisions that apply once a juvenile is transferred to
35 adult jurisdiction; and

36 (c) The appropriate custody, treatment, and resources for declined
37 youth who will complete their term of confinement prior to reaching age
38 twenty-one.

1 The commission shall report its findings and recommendations to the
2 governor and the appropriate committees of the legislature by December
3 1, 2014.

4 (8) \$1,000,000 of the general fund--state appropriation for fiscal
5 year 2015 is provided solely for the office of financial management to
6 allocate to the University of Washington for the institute for protein
7 design, and \$250,000 of the general fund--state appropriation for
8 fiscal year 2014 and \$500,000 of the general fund--state appropriation
9 for fiscal year 2015 is provided solely for the office of financial
10 management to allocate to Washington State University for the air
11 transportation center of excellence for alternative jet fuels. Funding
12 provided in this subsection shall not be distributed by the office of
13 financial management until the state auditor has executed a contract
14 for the audit required in section 115 of this act.

15 (9) Within amounts provided in this section, the office of the
16 chief information officer shall review the security plans of the
17 provider one system and other health information technology systems
18 within the health care authority and the department of social and
19 health services to ensure compliance with federal health information
20 portability and accountability act rules and the council for affordable
21 quality healthcare committee on operating rules for information
22 exchange.

23 (10) \$300,000 of the general fund--state appropriation for fiscal
24 year 2015 is provided solely for an analysis of statewide jail system.
25 The analysis must examine:

26 (a) Regional capacities and how the capacity is used for local and
27 state detention, to include:

28 (i) Historical and current utilization;

29 (ii) Level of security;

30 (iii) Ability to provide medical and mental health care; and

31 (iv) Availability of programming;

32 (b) Identification of barriers and solutions for the use of local
33 jails including:

34 (i) For individuals who would otherwise be transferred to
35 department of corrections for a short-term stay;

36 (ii) Violator population billing and tracking; and

37 (iii) Long-term stays in jail in lieu of prison; and

1 (c) Financial impacts to counties of providing felon and juvenile
2 detention.

3 An initial report defining benchmarks and desired outcomes shall be
4 provided to the governor and legislative fiscal committees by July 15,
5 2014, with a final report of findings and recommendations due November
6 1, 2014.

7 (11) \$809,000 of the state agency innovation and efficiency grant
8 program account--state appropriation is provided solely for the
9 purposes of Substitute Senate Bill No. 5872 (state agency innovation
10 and efficiency grant program). If the bill is not enacted by June 30,
11 2014, the amount provided in this subsection shall lapse.

12 **Sec. 122.** 2013 2nd sp.s. c 4 s 131 (uncodified) is amended to read
13 as follows:

14 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

15 Administrative Hearings Revolving Account--State

16 Appropriation ((~~\$37,772,000~~))
17 \$38,256,000

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

20 (1) \$151,000 of the administrative hearings revolving account--
21 state appropriation is provided solely for replacement of computer
22 equipment, including servers, routers, and storage system upgrades.
23 The amount provided in this subsection is conditioned on the department
24 satisfying the requirements of the project management oversight
25 standards and policies established by the office of the chief
26 information officer.

27 (2) \$137,000 of the administrative hearings revolving account--
28 state appropriation is provided solely for replacement of a portion of
29 the agency's personal computers. The amount provided in this
30 subsection is conditioned on the department satisfying the requirements
31 of the project management oversight standards and policies established
32 by the office of the chief information officer.

33 (3) Within the amounts provided in this section, the office shall
34 improve the timeliness of its hearings and report the progress of its
35 efforts to the office of financial management and the fiscal committees
36 of the legislature by November 1, 2014.

1 Bill No. 5882 or House Bill No. 2081 (tax preferences and
2 transparency). If neither bill is enacted by June 30, 2013, the
3 amounts provided in the subsection shall lapse.

4 (5) \$62,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$11,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the purposes of Substitute
7 Senate Bill No. 6057 (hiring persons with developmental disabilities).
8 If the bill is not enacted by June 30, 2014, the amounts provided in
9 this subsection shall lapse.

10 (6) \$69,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$21,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for the purposes of Substitute
13 Senate Bill No. 6515 (state job creation). If the bill is not enacted
14 by June 30, 2014, the amounts provided in this subsection shall lapse.

15 (7) \$588,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$856,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely to provide security at two
18 department field offices and at the liquor control board's headquarters
19 to handle cash tax payments for recreational marijuana related
20 businesses. The department shall enter into an interagency agreement
21 to provide some of the funding to the liquor control board as needed.

22 (8) Appropriations in this section are sufficient to implement
23 Senate Bill No. 6151 (cultural access authorities).

24 **Sec. 127.** 2013 2nd sp.s. c 4 s 137 (uncodified) is amended to read
25 as follows:

26 **FOR THE BOARD OF TAX APPEALS**

27	General Fund--State Appropriation (FY 2014)	((\$1,217,000))
28		<u>\$1,203,000</u>
29	General Fund--State Appropriation (FY 2015)	((\$1,178,000))
30		<u>\$1,192,000</u>
31	TOTAL APPROPRIATION	\$2,395,000

32 **Sec. 128.** 2013 2nd sp.s. c 4 s 138 (uncodified) is amended to read
33 as follows:

34 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

35	OMWBE Enterprises Account--State Appropriation	((\$4,077,000))
36		<u>\$3,567,000</u>

1 The appropriation in this section is subject to the following
2 conditions and limitations: (~~(\$200,000 of the minority and women's~~
3 ~~business enterprises account--state appropriation is provided for~~
4 ~~implementation of a certification program for small business~~
5 ~~enterprises.))~~

6 (1) The agency will collaborate with the department of
7 transportation to certify small businesses as small business
8 enterprises. Funding for this work is provided through interagency
9 agreement with the state department of transportation.

10 (2) The department will engage in the stakeholder process with the
11 department of transportation, cities, counties, ports, transit agencies
12 and other entities that rely upon the office for federal certification
13 as a small business enterprise, disadvantaged business enterprise, or
14 airport concessionaire disadvantaged business enterprise to determine
15 an equitable manner to fully recover from users the office's costs for
16 providing this statewide service. Cost to be reviewed include, but are
17 not limited to, business outreach, certification application and
18 renewal processing, investigations and audits, and appeals from denials
19 and decertifications.

20 **Sec. 129.** 2013 2nd sp.s. c 4 s 139 (uncodified) is amended to read
21 as follows:

22 **FOR THE INSURANCE COMMISSIONER**

23	General Fund--State Appropriation (FY 2014)	\$300,000
24	General Fund--State Appropriation (FY 2015)	(\$100,000)
25		<u>\$227,000</u>
26	General Fund--Federal Appropriation	\$4,495,000
27	Health Benefit Exchange Account--State Appropriation	\$676,000
28	Insurance Commissioners Regulatory Account--State	
29	Appropriation	(\$49,555,000)
30		<u>\$49,866,000</u>
31	TOTAL APPROPRIATION	(\$55,126,000)
32		<u>\$55,564,000</u>

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

35 (1) \$676,000 of the health benefit exchange account--state
36 appropriation is provided solely to implement Engrossed Substitute

1 House Bill No. 1947 (Washington health benefit exchange). If the bill
2 is not enacted by June 30, 2013, the amount provided in this subsection
3 shall lapse.

4 (2) The office of the insurance commissioner shall not curtail
5 functions relating to solvency, rates and forms, and consumer
6 protection.

7 (3) Appropriations in this section, as previously appropriated by
8 the legislature in section 144, chapter 564, Laws of 2009 for the
9 implementation of chapter 298, Laws of 2009, are sufficient to
10 implement Engrossed Substitute Senate Bill No. 6511 (prior
11 authorization).

12 (4) \$182,000 of the insurance commissioner regulatory account--
13 state appropriation is provided solely for the implementation of
14 Engrossed Second Substitute Senate Bill No. 5540 including section 6 of
15 the bill (out-of-state carriers).

16 **Sec. 130.** 2013 2nd sp.s. c 4 s 140 (uncodified) is amended to read
17 as follows:

18 **FOR THE STATE INVESTMENT BOARD**

19 State Investment Board Expense Account--State
20 Appropriation ((\$36,035,000))
21 \$36,059,000

22 **Sec. 131.** 2013 2nd sp.s. c 4 s 141 (uncodified) is amended to read
23 as follows:

24 **FOR THE LIQUOR CONTROL BOARD**

25 Liquor Revolving Account--State Appropriation ((\$65,146,000))
26 \$58,223,000
27 Dedicated Marijuana Account--State Appropriation \$4,856,000
28 General Fund--Federal Appropriation \$945,000
29 General Fund--Private/Local Appropriation \$25,000
30 TOTAL APPROPRIATION ((\$66,116,000))
31 \$64,049,000

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

34 (1) \$2,494,000 of the liquor revolving account--state appropriation
35 (~~is~~) and \$4,856,000 of the dedicated marijuana account--state

1 appropriation are provided solely for the liquor control board to
2 implement Initiative Measure No. 502.

3 (2)(a) The liquor control board must work with the department of
4 health and the department of revenue to develop recommendations for the
5 legislature regarding the interaction of medical marijuana regulations
6 and the provisions of Initiative Measure No. 502. At a minimum, the
7 recommendations must include provisions addressing the following:

- 8 (i) Age limits;
- 9 (ii) Authorizing requirements for medical marijuana;
- 10 (iii) Regulations regarding health care professionals;
- 11 (iv) Collective gardens;
- 12 (v) Possession amounts;
- 13 (vi) Location requirements;
- 14 (vii) Requirements for medical marijuana producing, processing, and
15 retail licensing;
- 16 (viii) Taxation of medical marijuana in relation to recreational
17 marijuana; and
- 18 (ix) The state agency that should be the regulatory body for
19 medical cannabis.

20 (b) The board must submit its recommendations to the appropriate
21 committees of the legislature by January 1, 2014.

22 **Sec. 132.** 2013 2nd sp.s. c 4 s 142 (uncodified) is amended to read
23 as follows:

24 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

25	General Fund--Federal Appropriation	\$150,000
26	General Fund--Private/Local Appropriation	(\$11,228,000)
27		<u>\$11,230,000</u>
28	Public Service Revolving Account--State	
29	Appropriation	(\$29,893,000)
30		<u>\$29,944,000</u>
31	Pipeline Safety Account--State Appropriation	(\$4,411,000)
32		<u>\$4,414,000</u>
33	Pipeline Safety Account--Federal Appropriation	\$1,938,000
34	TOTAL APPROPRIATION	(\$47,620,000)
35		<u>\$47,676,000</u>

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

1 (1) The commission shall work with the Idaho public utilities
2 commission and the public utility commission of Oregon to identify
3 common regulatory functions that can be performed jointly, with the
4 goal of formalizing an agreement that protects essential services while
5 increasing regulatory effectiveness and efficiencies through economies
6 of scale. The commission is authorized to enter into an agreement with
7 such other state public utility commissions to work jointly in
8 administering specified respective regulatory functions.

9 (2) Up to \$200,000 of the total appropriation is provided for the
10 commission to continue to evaluate the regulatory processes for energy
11 companies and identify and implement administrative actions to improve
12 those processes. The commission shall develop and adopt a schedule for
13 such administrative actions.

14 **Sec. 133.** 2013 2nd sp.s. c 4 s 143 (uncodified) is amended to read
15 as follows:

16 **FOR THE MILITARY DEPARTMENT**

17	General Fund--State Appropriation (FY 2014)	(((\$1,880,000))
18		<u>\$1,840,000</u>
19	General Fund--State Appropriation (FY 2015)	(((\$1,846,000))
20		<u>\$1,794,000</u>
21	General Fund--Federal Appropriation	(((\$140,135,000))
22		<u>\$140,213,000</u>
23	Enhanced 911 Account--State Appropriation	(((\$58,514,000))
24		<u>\$58,397,000</u>
25	Disaster Response Account--State Appropriation	(((\$14,531,000))
26		<u>\$20,251,000</u>
27	Disaster Response Account--Federal Appropriation	(((\$53,253,000))
28		<u>\$69,625,000</u>
29	Military Department Rent and Lease Account--State	
30	Appropriation	\$615,000
31	Worker and Community Right-to-Know Account--State	
32	Appropriation	(((\$2,794,000))
33		<u>\$3,182,000</u>
34	TOTAL APPROPRIATION	(((\$273,568,000))
35		<u>\$295,917,000</u>

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

1 (1) (~~(\$14,531,000)~~) \$20,251,000 of the disaster response account--
2 state appropriation and (~~(\$53,253,000)~~) \$69,625,000 of the disaster
3 response account--federal appropriation may be spent only on disasters
4 declared by the governor and with the approval of the office of
5 financial management. The military department shall submit a report to
6 the office of financial management and the legislative fiscal
7 committees on October 1st and February 1st of each year detailing
8 information on the disaster response account, including: (a) The
9 amount and type of deposits into the account; (b) the current available
10 fund balance as of the reporting date; and (c) the projected fund
11 balance at the end of the 2014-2015 biennium based on current revenue
12 and expenditure patterns.

13 (2) (~~(\$75,000,000)~~) \$60,000,000 of the general fund--federal
14 appropriation is provided solely for homeland security, subject to the
15 following conditions:

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

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

25 (3) \$388,000 of the worker and community right-to-know account--
26 state appropriation is provided solely for the department's equipment
27 replacement plan. Prior to using appropriated funds for the purchase
28 of server or other related equipment, the department shall create a
29 plan, in consultation with consolidated technology services and the
30 office of the chief information officer, to migrate the department's
31 existing data center to the state data center located in the 1500
32 Jefferson building and use services provided by consolidated technology
33 services instead of purchasing new servers or other related equipment.
34 If the department has specific service or performance requirements for
35 locating servers outside the state data center, the agency will submit
36 a waiver request to the office of the chief information officer as
37 required in RCW 43.41A.150.

1 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

2	General Fund--State Appropriation (FY 2014)	\$3,654,000
3	General Fund--State Appropriation (FY 2015)	\$3,628,000
4	Building Code Council Account--State Appropriation	(\$1,227,000)
5		<u>\$1,228,000</u>
6	<u>Enterprise Services Account--State Appropriation</u>	<u>\$2,400,000</u>
7	<u>Data Processing Revolving Account--State Appropriation</u>	<u>\$7,062,000</u>
8	TOTAL APPROPRIATION	(\$8,509,000)
9		<u>\$17,972,000</u>

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

12 (1) \$3,287,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$3,286,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for the payment of facilities and
15 services charges, utilities and contracts charges, public and historic
16 facilities charges, and capital projects surcharges allocable to the
17 senate, house of representatives, statute law committee, and joint
18 legislative systems committee. The department shall allocate charges
19 attributable to these agencies among the affected revolving funds. The
20 department shall maintain an interagency agreement with these agencies
21 to establish performance standards, prioritization of preservation and
22 capital improvement projects, and quality assurance provisions for the
23 delivery of services under this subsection. The legislative agencies
24 named in this subsection shall continue to enjoy all of the same rights
25 of occupancy and space use on the capitol campus as historically
26 established.

27 (2) In accordance with RCW 46.08.172 and 43.135.055, the department
28 is authorized to increase parking fees in fiscal years 2014 and 2015 as
29 necessary to meet the actual costs of conducting business.

30 (3) The building code council account appropriation is provided
31 solely for the operation of the state building code council as required
32 by statute and modified by the standards established by executive order
33 10-06. The council shall not consider any proposed code amendment or
34 take any other action not authorized by statute or in compliance with
35 the standards established in executive order 10-06. No member of the
36 council may receive compensation, per diem, or reimbursement for
37 activities other than physical attendance at those meetings of the
38 state building code council or the council's designated committees, at

1 which the opportunity for public comment is provided generally and on
2 all agenda items upon which the council proposes to take action. The
3 building code council shall comply with chapter 19.85 RCW, known as the
4 regulatory fairness act, by including with all proposed substantial
5 code amendments an analysis addressing cost effectiveness, net
6 benefits, payback periods, and life-cycle costs.

7 ~~((+5))~~ (4) The department of enterprise services shall purchase
8 flags needed for ceremonial occasions on the capitol campus in order to
9 fully represent the countries that have an international consulate in
10 Washington state.

11 ~~((+6))~~ (5) Before any agency may purchase a passenger motor
12 vehicle as defined in RCW 43.19.560, the agency must have written
13 approval from the director of the department of enterprise services.

14 ~~((+7))~~ (6) \$2,400,000 of the ~~((data processing revolving account))~~
15 enterprise services account--state appropriation is provided solely for
16 the implementation of a pilot program to implement a strategy and
17 action plan to modernize the state's enterprise financial and
18 administrative systems. The department, the office of financial
19 management, and the office of the chief information officer, will lead
20 the planning effort and establish advisory committees composed of key
21 stakeholders. The plan will include an assessment of the readiness of
22 state government to conduct a business transformation and system
23 replacement project of this scale. The plan shall incorporate the
24 objectives of lean management and should include recommendations on:
25 Project scope, phasing and timeline, expected outcomes and measures of
26 success, product strategy, budget and financing strategy options, risk
27 mitigation, staffing and organization, and strategies to close
28 readiness gaps. The department shall submit the implementation plan to
29 the fiscal committees of the legislature by December 15, ~~((2013))~~ 2014.

30 The amounts provided in this subsection are conditioned on the
31 department satisfying the requirements of the project management
32 oversight standards and policies established by the office of the chief
33 information officer.

34 ~~((+8) \$8,013,000))~~ (7) \$7,062,000 of the data processing revolving
35 account--state appropriation is provided solely for the implementation
36 of a pilot program to implement a time, leave, and attendance
37 enterprise system. The amounts provided in this subsection are

1 conditioned on the department satisfying the requirements of the
2 project management oversight standards and policies established by the
3 office of the chief information officer.

4 ~~((+9))~~ (8) From the fee charged to master contract vendors, the
5 department shall transfer to the office of minority and women's
6 business enterprises in equal monthly installments \$2,039,000 in fiscal
7 year 2014 and \$2,038,000 in fiscal year 2015.

8 ~~((+10))~~ (9) The legislature intends to review for purchase parcel
9 number one and surrounding property on McNeil Island. The department
10 shall coordinate with the federal government to obtain an appraisal
11 determining the fair market value and shall provide an estimate to the
12 legislative fiscal committees by October 1, 2013.

13 (10) Appropriations to state agencies in this act have been reduced
14 to reflect the following changes and reductions in services provided by
15 the department. The department shall revise its central services rates
16 charged to state agencies to implement these changes in services and
17 policy: Small agency client services shall be transferred to the
18 office of financial management on July 1, 2014; small agency human
19 resources services shall cease on July 1, 2014; the personnel services
20 fee shall be reduced fifty percent; costs for the print and imaging
21 program shall be fully recovered through rates charged to state
22 agencies and other government and nonprofit entities for this service;
23 and the enterprise services rate shall be reduced to remove the portion
24 of the rate subsidizing the operations of the print and imaging
25 program.

26 (11) Through a competitive process, the department, in consultation
27 with the office of the chief information officer, must contract with an
28 entity with significant experience in web portals and e-government
29 services to provide state agencies with services to include, but not be
30 limited to, development and management of the state's web portal
31 (access Washington); development of a state one-stop business portal;
32 facilitating financial transactions and processing; application
33 development, hosting and support; and integration services with
34 existing state agency application systems.

35 **Sec. 138.** 2013 2nd sp.s. c 4 s 149 (uncodified) is amended to read
36 as follows:

1 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
2 Volunteer Firefighters' and Reserve Officers'
3 Administrative Account--State Appropriation (~~(\$1,044,000)~~)
4 \$967,000

(End of part)

PART II
HUMAN SERVICES

Sec. 201. 2013 2nd sp.s. c 4 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 the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the

1 department may combine and transfer such medicaid funds appropriated
2 under sections 204, 206, 208, and 213 of this act as may be necessary
3 to finance a unified health care plan for the WMIP and the MICP program
4 enrollment. The WMIP pilot projects shall not exceed a daily
5 enrollment of 6,000 persons, nor expand beyond one county during the
6 2013-2015 fiscal biennium. The amount of funding assigned from each
7 program may not exceed the average per capita cost assumed in this act
8 for individuals covered by that program, actuarially adjusted for the
9 health condition of persons enrolled, times the number of clients
10 enrolled. In implementing the WMIP and the MICP, the health care
11 authority and the department may: (i) Withhold from calculations of
12 "available resources" as set forth in RCW 71.24.025 a sum equal to the
13 capitated rate for enrolled individuals; and (ii) employ capitation
14 financing and risk-sharing arrangements in collaboration with health
15 care service contractors licensed by the office of the insurance
16 commissioner and qualified to participate in both the medicaid and
17 medicare programs.

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

33 (4) The legislature finds that medicaid payment rates, as
34 calculated by the department pursuant to the appropriations in this
35 act, bear a reasonable relationship to the costs incurred by
36 efficiently and economically operated facilities for providing quality
37 services and will be sufficient to enlist enough providers so that care
38 and services are available to the extent that such care and services

1 are available to the general population in the geographic area. The
2 legislature finds that cost reports, payment data from the federal
3 government, historical utilization, economic data, and clinical input
4 constitute reliable data upon which to determine the payment rates.

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

16 (6) The department shall facilitate enrollment under the medicaid
17 expansion for clients applying for or receiving state funded services
18 from the department and its contractors. Prior to open enrollment, the
19 department shall coordinate with the health care authority to provide
20 referrals to the Washington health benefit exchange for clients that
21 will be ineligible for the medicaid expansion but are enrolled in
22 coverage that will be eliminated in the transition to the medicaid
23 expansion.

24 (7)(a) The appropriations to the department of social and health
25 services in this act must be expended for the programs and in the
26 amounts specified in this act. However, after May 1, 2014, unless
27 specifically prohibited by this act, the department may transfer
28 general fund--state appropriations for fiscal year 2014 among programs
29 after approval by the director of financial management. However, the
30 department may not transfer state moneys that are provided solely for
31 a specified purpose except as expressly provided in (b) of this
32 subsection.

33 (b) To the extent that transfers under (a) of this subsection are
34 insufficient to fund actual expenditures in excess of fiscal year 2014
35 caseload forecasts and utilization assumptions in the long-term care,
36 foster care, adoptions support, medicaid personal care, and child
37 support programs, the department may transfer state moneys that are
38 provided solely for a specified purpose. The department may not

1 transfer funds, and the director of financial management may not
2 approve the transfer, unless the transfer is consistent with the
3 objective of conserving, to the maximum extent possible, the
4 expenditure of state funds. The director of financial management shall
5 notify the appropriate fiscal committees of the senate and house of
6 representatives in writing seven days prior to approving any allotment
7 modifications or transfers under this subsection. The written
8 notification must include a narrative explanation and justification of
9 the changes, along with expenditures and allotments by budget unit and
10 appropriation, both before and after any allotment modifications or
11 transfers.

12 **Sec. 202.** 2013 2nd sp.s. c 4 s 202 (uncodified) is amended to read
13 as follows:

14 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY**
15 **SERVICES PROGRAM**

16	General Fund--State Appropriation (FY 2014)	((\$296,676,000))
17		<u>\$297,480,000</u>
18	General Fund--State Appropriation (FY 2015)	((\$297,641,000))
19		<u>\$299,799,000</u>
20	General Fund--Federal Appropriation	((\$489,939,000))
21		<u>\$496,401,000</u>
22	General Fund--Private/Local Appropriation	\$1,354,000
23	Home Security Fund Account--State Appropriation	\$10,741,000
24	Domestic Violence Prevention Account--State	
25	Appropriation	\$1,240,000
26	Child and Family Reinvestment Account--State	
27	Appropriation	((\$6,491,000))
28		<u>\$2,649,000</u>
29	TOTAL APPROPRIATION	((\$1,104,082,000))
30		<u>\$1,109,664,000</u>

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

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

1 (2) \$668,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$668,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely to contract for the operation of
4 one pediatric interim care center. The center shall provide
5 residential care for up to thirteen children through two years of age.
6 Seventy-five percent of the children served by the center must be in
7 need of special care as a result of substance abuse by their mothers.
8 The center shall also provide on-site training to biological, adoptive,
9 or foster parents. The center shall provide at least three months of
10 consultation and support to the parents accepting placement of children
11 from the center. The center may recruit new and current foster and
12 adoptive parents for infants served by the center. The department
13 shall not require case management as a condition of the contract.

14 (3) \$538,500 of the general fund--state appropriation for fiscal
15 year 2014, \$539,500 of the general fund--state appropriation for fiscal
16 year 2015, \$656,000 of the general fund--private/local appropriation,
17 and \$253,000 of the general fund--federal appropriation are provided
18 solely for children's administration to contract with an educational
19 advocacy provider with expertise in foster care educational outreach.
20 The amounts in this subsection are provided solely for contracted
21 education coordinators to assist foster children in succeeding in K-12
22 and higher education systems and to assure a focus on education during
23 the transition to performance based contracts. Funding shall be
24 prioritized to regions with high numbers of foster care youth and/or
25 regions where backlogs of youth that have formerly requested
26 educational outreach services exist. The department shall utilize
27 private matching funds to maintain educational advocacy services.

28 (4) \$10,741,000 of the home security fund--state appropriation is
29 provided solely for the department to contract for services pursuant to
30 RCW 13.32A.030 and 74.15.220. The department shall contract and
31 collaborate with service providers in a manner that maintains the
32 availability and geographic representation of secure and semi-secure
33 crisis residential centers and HOPE centers. To achieve efficiencies
34 and increase utilization, the department shall allow the co-location of
35 these centers, except that a youth may not be placed in a secure
36 facility or the secure portion of a co-located facility except as
37 specifically authorized by chapter 13.32A RCW. The reductions to
38 appropriations in this subsection related to semi-secure crisis

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

9 (5) \$125,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$125,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for a community-based organization
12 that has innovated, developed, and replicated a foster care delivery
13 model that includes a licensed hub home. The community-based
14 organization will provide training and technical assistance to the
15 children's administration to develop five hub home models in region 2
16 that will improve child outcomes, support foster parents, and encourage
17 the least restrictive community placements for children.

18 (6) \$73,000 of the general fund--state appropriation for fiscal
19 year 2014, \$20,000 of the general fund--state appropriation for fiscal
20 year 2015, and \$31,000 of the general fund--federal appropriation are
21 provided solely for implementation of Second Substitute House Bill No.
22 1566 (youth in out-of-home care). If the bill is not enacted by June
23 30, 2013, the amounts provided in this subsection shall lapse.

24 (7) \$88,000 of the general fund--state appropriation for fiscal
25 year 2014, \$2,000 of the general fund--state appropriation for fiscal
26 year 2015, and \$28,000 of the general fund--federal appropriation are
27 provided solely for implementation of Engrossed Substitute House Bill
28 No. 1774 (child welfare system). If the bill is not enacted by June
29 30, 2013, the amounts provided in this subsection shall lapse.

30 (8) (~~(\$1,698,000)~~) \$1,809,000 of the general fund--state
31 appropriation for fiscal year 2014, (~~(\$2,788,000)~~) \$3,218,000 of the
32 general fund--state appropriation for fiscal year 2015, and
33 (~~(\$1,894,000)~~) \$2,053,000 of the general fund--federal appropriation
34 are provided solely for implementation of Engrossed Second Substitute
35 Senate Bill No. 5405 (extended foster care). If the bill is not
36 enacted by June 30, 2013, the amounts provided in this subsection shall
37 lapse.

1 (9) \$579,000 of the general fund--state appropriation for fiscal
2 year 2014, \$579,000 of the general fund--state appropriation for fiscal
3 year 2015, and \$109,000 of the general fund--federal appropriation are
4 provided solely for a receiving care center east of the Cascade
5 mountains.

6 (10)(a) \$446,000 of the general fund--state appropriation for
7 fiscal year 2014 and \$446,000 of the general fund--state appropriation
8 for fiscal year 2015 are provided solely for a contract with a
9 nongovernmental entity or entities to establish one demonstration site
10 in a school district or group of school districts in western
11 Washington.

12 (b) The children's administration and the nongovernmental entity or
13 entities shall collaboratively select the demonstration site. The
14 demonstration site should be a school district or group of school
15 districts with a significant number of students who are dependent
16 pursuant to chapter 13.34 RCW.

17 (c) The demonstration site established under this subsection must
18 be selected by September 1, 2013.

19 (d) The purpose of the demonstration site is to improve the
20 educational outcomes of students who are dependent pursuant to chapter
21 13.34 RCW by providing individualized education services and monitoring
22 and supporting dependent youths' completion of educational milestones,
23 remediation needs, and special education needs.

24 (e) The demonstration site established under this subsection must
25 facilitate the educational progress and graduation of dependent youth.
26 The contract must be performance-based with a stated goal of improving
27 the graduation rates of foster youth by two percent per year over five
28 school year periods, starting with the 2014-15 school year and ending
29 with the 2019-20 school year. The demonstration site must develop and
30 provide services aimed at improving the educational outcomes of foster
31 youth. These services must include:

32 (i) Direct advocacy for foster youth to eliminate barriers to
33 educational access and success;

34 (ii) Consultation with department of social and health services
35 case workers to develop educational plans for and with participating
36 youth;

37 (iii) Monitoring education progress of participating youth;

1 (iv) Providing participating youth with school and local resources
2 that may assist in educational access and success; and

3 (v) Coaching youth, caregivers, and social workers to advocate for
4 dependent youth in the educational system.

5 (f) The contracted nongovernmental entity or entities must report
6 demonstration site outcomes to the department of social and health
7 services and the office of public instruction by June 30, 2014, for the
8 2013-14 school year, and by June 30, 2015, for the 2014-15 school year.

9 (g) The children's administration must proactively refer all
10 students fifteen years or older, within the demonstration site area, to
11 the selected nongovernmental entity for educational services.

12 (h) The children's administration must report quarterly to the
13 legislature on the number of eligible youth and number of youth
14 referred for services beginning at the close of the second quarter of
15 fiscal year 2014 and through the final quarter of fiscal year 2015.

16 (i) The contracted nongovernmental entity or entities shall report
17 to the legislature by June 30, 2015, on the effectiveness of the
18 demonstration site in increasing graduation rates for dependent youth.

19 (11) \$50,000 of the general fund--state appropriation for fiscal
20 year 2014, and \$50,000 of the general fund--state appropriation for
21 fiscal year 2015, and \$256,000 of the general fund--federal
22 appropriation are provided solely for implementation of Substitute
23 Senate Bill No. 5315 (Powell fatality team). If the bill is not
24 enacted by June 30, 2013, the amounts provided in this subsection shall
25 lapse.

26 (12) \$670,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$670,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for services provided through
29 children's advocacy centers.

30 (13)(a) \$22,695,000 of the general fund--state appropriation for
31 fiscal year 2014, \$22,695,000 of the general fund--state appropriation
32 for fiscal year 2015, and \$28,450,000 of the general fund--federal
33 appropriation are provided solely for services for children and
34 families. Prior to approval of contract services pursuant to RCW
35 74.13B.020, the amounts provided in this section shall be allotted on
36 a monthly basis and expenditures shall not exceed allotments based on
37 a three-month rolling average without approval of the office of

1 financial management following notification to the legislative fiscal
2 committees.

3 (b) The department shall provide these services to safely reduce
4 the number of children in out-of-home care, the time spent in out-of-
5 home care prior to achieving permanency, and the number of children
6 returning to out-of-home care following permanency.

7 (14) \$1,783,000 of the general fund--state appropriation for fiscal
8 year 2015, (~~(\$6,491,000)~~) \$2,648,000 of the child and family
9 reinvestment account--state appropriation, and \$8,274,000 of the
10 general fund--federal appropriation, are provided solely for the
11 implementation and operations of the family assessment response
12 program.

13 (15) \$35,000 of the general fund--state appropriation for fiscal
14 year 2015 is provided solely for a rate add-on paid to residential
15 facilities providing behavioral rehabilitation service placements to
16 children or youth who have been assessed as needing mental health
17 services through the mental health division's children's long-term
18 inpatient program and are waiting for an available placement.

19 (16) \$150,000 of the general fund--state appropriation for fiscal
20 year 2015 is provided solely for training, technical assistance, and
21 oversight for an open-source parenting program developed by a
22 university-based child welfare research entity. The amount provided in
23 this subsection may be expended only if private or local funds are
24 available to develop the parenting curriculum. The department shall
25 make the open-source parenting program developed under this subsection
26 available to parents and caregivers with an open child welfare case
27 beginning January 1, 2015.

28 **Sec. 203.** 2013 2nd sp.s. c 4 s 203 (uncodified) is amended to read
29 as follows:

30 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
31 **REHABILITATION PROGRAM**

32	General Fund--State Appropriation (FY 2014)	((\$89,967,000))
33		<u>\$89,365,000</u>
34	General Fund--State Appropriation (FY 2015)	((\$90,255,000))
35		<u>\$89,074,000</u>
36	General Fund--Federal Appropriation	\$3,464,000
37	General Fund--Private/Local Appropriation	\$1,981,000

1 basis to counties that submitted a plan for the provision of services
2 approved by the division of alcohol and substance abuse. The juvenile
3 rehabilitation administration shall develop criteria for evaluation of
4 plans submitted and a timeline for awarding funding and shall assist
5 counties in creating and submitting plans for evaluation.

6 (5) \$3,123,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$3,123,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for grants to county juvenile
9 courts for the following programs identified by the Washington state
10 institute for public policy (institute) in its October 2006 report:
11 "Evidence-Based Public Policy Options to Reduce Future Prison
12 Construction, Criminal Justice Costs and Crime Rates": Functional
13 family therapy, multi-systemic therapy, aggression replacement training
14 and interagency coordination programs, or other programs with a
15 positive benefit-cost finding in the institute's report. County
16 juvenile courts shall apply to the juvenile rehabilitation
17 administration for funding for program-specific participation and the
18 administration shall provide grants to the courts consistent with the
19 per-participant treatment costs identified by the institute.

20 (6) \$1,537,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$1,537,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for expansion of the following
23 treatments and therapies in juvenile rehabilitation administration
24 programs identified by the Washington state institute for public policy
25 in its October 2006 report: "Evidence-Based Public Policy Options to
26 Reduce Future Prison Construction, Criminal Justice Costs and Crime
27 Rates": Multidimensional treatment foster care, family integrated
28 transitions, and aggression replacement training, or other programs
29 with a positive benefit-cost finding in the institute's report. The
30 administration may concentrate delivery of these treatments and
31 therapies at a limited number of programs to deliver the treatments in
32 a cost-effective manner.

33 (7)(a) The juvenile rehabilitation administration shall administer
34 a block grant, rather than categorical funding, of consolidated
35 juvenile service funds, community juvenile accountability act grants,
36 the chemical dependency disposition alternative funds, the mental
37 health disposition alternative, and the sentencing disposition
38 alternative for the purpose of serving youth adjudicated in the

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

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

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

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

27 (8) The juvenile courts and administrative office of the courts
28 shall collect and distribute information related to program outcome and
29 provide access to these data systems to the juvenile rehabilitation
30 administration and Washington state institute for public policy. The
31 agreements between administrative office of the courts, the juvenile
32 courts, and the juvenile rehabilitation administration shall be
33 executed to ensure that the juvenile rehabilitation administration
34 receives the data that the juvenile rehabilitation administration
35 identifies as needed to comply with this subsection. This includes,
36 but is not limited to, information by program at the statewide
37 aggregate level, individual court level, and individual client level
38 for the purpose of the juvenile rehabilitation administration providing

1 quality assurance and oversight for the locally committed youth block
2 grant and associated funds and at times as specified by the juvenile
3 rehabilitation administration as necessary to carry out these
4 functions. The data shall be provided in a manner that reflects the
5 collaborative work the juvenile rehabilitation administration and
6 juvenile courts have developed regarding program outcomes that
7 reinforce the greatest cost benefit to the state in the implementation
8 of evidence-based practices and disposition alternatives.

9 (9) \$445,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$445,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for funding of the teamchild
12 project.

13 (10) \$178,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$178,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the juvenile detention
16 alternatives initiative.

17 (11) \$250,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$250,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for a grant program focused on
20 criminal street gang prevention and intervention. The Washington state
21 partnership council on juvenile justice may award grants under this
22 subsection. The council shall give priority to applicants who have
23 demonstrated the greatest problems with criminal street gangs.
24 Applicants composed of, at a minimum, one or more local governmental
25 entities and one or more nonprofit, nongovernmental organizations that
26 have a documented history of creating and administering effective
27 criminal street gang prevention and intervention programs may apply for
28 funding under this subsection.

29 **Sec. 204.** 2013 2nd sp.s. c 4 s 204 (uncodified) is amended to read
30 as follows:

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

33 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

34	General Fund--State Appropriation (FY 2014)	((\$327,467,000))
35		<u>\$328,527,000</u>
36	General Fund--State Appropriation (FY 2015)	((\$308,723,000))
37		<u>\$320,330,000</u>

1	General Fund--Federal Appropriation	(\$561,394,000)
2		<u>\$663,424,000</u>
3	General Fund--Private/Local Appropriation	\$17,864,000
4	TOTAL APPROPRIATION	(\$1,215,448,000)
5		<u>\$1,330,145,000</u>

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

8 (a) \$104,999,000 of the general fund--state appropriation for
9 fiscal year 2014 and \$85,895,000 of the general fund--state
10 appropriation for fiscal year 2015 are provided solely for persons and
11 services not covered by the medicaid program. To the extent possible,
12 levels of regional support network spending shall be maintained in the
13 following priority order: Crisis and commitment services; community
14 inpatient services; and residential care services, including personal
15 care and emergency housing assistance. This is a reduction in flexible
16 nonmedicaid funding of \$4,343,000 for fiscal year 2014 and \$23,446,000
17 for fiscal year 2015. This reduction reflects offsets in state funding
18 related to services that will now be funded with federal dollars
19 through the affordable care act medicaid expansion. This reduction
20 shall be distributed as follows:

21 (i) The \$4,343,000 reduction in fiscal year 2014 and \$11,723,000 of
22 the reduction in fiscal year 2015 must be distributed among regional
23 support networks based on a formula that equally weights each regional
24 support networks proportion of individuals who become newly eligible
25 and enroll in medicaid under the expansion provisions of the affordable
26 care act in fiscal year 2014 and each regional support network's
27 spending of flexible nonmedicaid funding on services that would be
28 reimbursable for federal medicaid matching funds if provided to
29 medicaid enrollees in the 2011-2013 fiscal biennium.

30 (ii) The remaining \$11,723,000 reduction in fiscal year 2015 must
31 be distributed among regional support networks based on each regional
32 support network's proportion of individuals who become newly eligible
33 and enroll in medicaid under the expansion provisions of the affordable
34 care act through fiscal year 2015.

35 (b) \$6,590,000 of the general fund--state appropriation for fiscal
36 year 2014, \$6,590,000 of the general fund--state appropriation for
37 fiscal year 2015, and \$7,620,000 of the general fund--federal
38 appropriation are provided solely for the department and regional

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

15 (c) \$5,850,000 of the general fund--state appropriation for fiscal
16 year 2014, \$5,850,000 of the general fund--state appropriation for
17 fiscal year 2015, and \$1,300,000 of the general fund--federal
18 appropriation are provided solely for the western Washington regional
19 support networks to provide either community- or hospital campus-based
20 services for persons who require the level of care previously provided
21 by the program for adaptive living skills (PALS) at western state
22 hospital.

23 (d) The number of nonforensic beds allocated for use by regional
24 support networks at eastern state hospital shall be 192 per day. The
25 number of nonforensic beds allocated for use by regional support
26 networks at western state hospital shall be 557 per day.

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

33 (f) The department is authorized to continue to contract directly,
34 rather than through contracts with regional support networks, for
35 children's long-term inpatient facility services.

36 (g) \$750,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$750,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely to continue performance-based

1 incentive contracts to provide appropriate community support services
2 for individuals with severe mental illness who were discharged from the
3 state hospitals as part of the expanding community services initiative.
4 These funds will be used to enhance community residential and support
5 services provided by regional support networks through other state and
6 federal funding.

7 (h) \$1,125,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$1,125,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for the Spokane regional support
10 network to implement services to reduce utilization and the census at
11 eastern state hospital. Such services shall include:

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

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

18 (iii) Mental health services provided in nursing facilities to
19 individuals with dementia, and consultation to facility staff treating
20 those individuals; and

21 (iv) Services at the sixteen-bed evaluation and treatment facility.
22 At least annually, the Spokane regional support network shall assess
23 the effectiveness of these services in reducing utilization at eastern
24 state hospital, identify services that are not optimally effective, and
25 modify those services to improve their effectiveness.

26 (i) \$1,529,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$1,529,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely to reimburse Pierce and Spokane
29 counties for the cost of conducting 180-day commitment hearings at the
30 state psychiatric hospitals.

31 (j) Regional support networks may use local funds to earn
32 additional federal medicaid match, provided the locally matched rate
33 does not exceed the upper-bound of their federally allowable rate
34 range, and provided that the enhanced funding is used only to provide
35 medicaid state plan or waiver services to medicaid clients.
36 Additionally, regional support networks may use a portion of the state
37 funds allocated in accordance with (a) of this subsection to earn
38 additional medicaid match, but only to the extent that the application

1 of such funds to medicaid services does not diminish the level of
2 crisis and commitment, community inpatient, residential care, and
3 outpatient services presently available to persons not eligible for
4 medicaid.

5 (k) \$3,436,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$2,291,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for mental health services for
8 mentally ill offenders while confined in a county or city jail and for
9 facilitating access to programs that offer mental health services upon
10 release from confinement.

11 (l) \$523,000 of the general fund--state appropriation for fiscal
12 year 2014, \$775,000 of the general fund--state appropriation for fiscal
13 year 2015, and \$854,000 of the general fund--federal appropriation are
14 provided solely for implementation of sections 3 through 5 of chapter
15 289, Laws of 2013 (E2SHB 1114). Regional support networks must use
16 this funding for the development of intensive community programs that
17 allow individuals to be diverted or transitioned from the state
18 hospitals in accordance with plans approved by the department.

19 (m) \$5,986,000 of the general fund--state appropriation for fiscal
20 year 2014, \$11,592,000 of the general fund--state appropriation for
21 fiscal year 2015, and \$10,160,000 of the general fund--federal
22 appropriation are provided solely for implementation of chapter 335,
23 Laws of 2013 (ESSB 5480). Regional support networks must use this
24 funding for the development of intensive community programs that allow
25 individuals to be diverted or transitioned from the state hospitals in
26 accordance with plans approved by the department.

27 (n) Due to recent approval of federal medicaid matching funds for
28 the disability lifeline and the alcohol and drug abuse treatment
29 support act programs, the department shall charge regional support
30 networks for only the state share rather than the total cost of
31 community psychiatric hospitalization for persons enrolled in those
32 programs.

33 (o) The legislature finds that the circumstances of the Chelan-
34 Douglas regional support network (CD-RSN) make it necessary for CD-RSN
35 to undergo restructuring in order to provide mental health services
36 essential to the health and wellness of the citizens within its service
37 area. The legislature intends to provide additional temporary

1 financial relief to the CD-RSN while it undergoes internal
2 restructuring or negotiates a merger with another regional support
3 network.

4 The department shall negotiate relief for outstanding fiscal year
5 2013 reimbursements owed by CD-RSN to the state provided that the CD-
6 RSN has a plan in place that is approved by the department by August 1,
7 2013, that demonstrates how CD-RSN will maintain financial viability
8 and stability or will merge with another regional support network.

9 For the period of July 1, 2013, through December 31, 2013, the
10 department may alter collection of reimbursement from CD-RSN for
11 overuse of state hospital beds. To receive a reduction to the required
12 reimbursement for overuse of state hospital beds, CD-RSN must continue
13 to prioritize services that reduce its utilization and census at
14 eastern state hospital and be actively implementing an approved plan to
15 maintain financial viability or pursuing a future merger with another
16 regional support network. Up to \$298,000 of the general fund--state
17 appropriation for fiscal year 2014 is for the department to provide
18 payments to regional support networks in eastern Washington which have
19 used less than their allocated or contracted patient days of care at
20 the state hospital to replace the share of the reimbursements from CD-
21 RSN that the regional support networks would have received under RCW
22 71.24.320.

23 (p) \$266,000 of the general fund--state appropriation for fiscal
24 year 2014 is provided solely to maintain services for the King county
25 regional support network as it works to transition services to settings
26 that are eligible for federal participation for individuals covered
27 under the medicaid program.

28 (q) \$6,546,000 of the general fund--state appropriation for fiscal
29 year 2015 and \$6,546,000 of the general fund--federal appropriation are
30 provided solely for the purposes of implementing statewide wraparound
31 with intensive services for children pursuant to Substitute Senate Bill
32 No. 6558 (children's mental health services). If the bill is not
33 enacted by June 30, 2014, the amounts provided in this subsection (q)
34 shall lapse.

35 (2) INSTITUTIONAL SERVICES

36 General Fund--State Appropriation (FY 2014)	((\$135,246,000))
	<u>\$140,320,000</u>
37	
38 General Fund--State Appropriation (FY 2015)	((\$131,863,000))

1		<u>\$130,487,000</u>
2	General Fund--Federal Appropriation	((\$150,863,000))
3		<u>\$159,836,000</u>
4	General Fund--Private/Local Appropriation	((\$63,097,000))
5		<u>\$58,844,000</u>
6	TOTAL APPROPRIATION	((\$481,069,000))
7		<u>\$489,487,000</u>

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

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

13 (b) \$231,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$231,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for a community partnership
16 between western state hospital and the city of Lakewood to support
17 community policing efforts in the Lakewood community surrounding
18 western state hospital. The amounts provided in this subsection (2)(b)
19 are for the salaries, benefits, supplies, and equipment for one full-
20 time investigator, one full-time police officer, and one full-time
21 community service officer at the city of Lakewood.

22 (c) \$45,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$45,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for payment to the city of
25 Lakewood for police services provided by the city at western state
26 hospital and adjacent areas.

27 (d) \$20,000,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$20,000,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely to maintain staffed capacity to
30 serve an average daily census in forensic wards at western state
31 hospital of 270 patients per day.

32 (e) ((~~\$2,068,000~~)) \$6,194,000 of the general fund--state
33 appropriation for fiscal year 2014, \$2,066,000 of the general fund--
34 state appropriation for fiscal year 2015, and \$240,000 of the general
35 fund--federal appropriation are provided solely for the state
36 psychiatric hospitals to plan, procure, and implement the core elements
37 of an electronic medical record system that is compliant with the
38 international classification of diseases (ICD-10) by October 1, 2014.

1 These funds must only be used for an electronic medical record system
 2 that meets federal criteria for electronic sharing of patient
 3 information and clinical care summaries with doctors' offices,
 4 hospitals, and health systems which use federally certified electronic
 5 health record systems. The procurement and implementation shall be
 6 conducted to allow for these services to be expanded to the department
 7 of corrections. The amounts provided in this subsection are
 8 conditioned on the department satisfying the requirements of the
 9 project management oversight standards and policies established by the
 10 office of the chief information officer.

11 (3) SPECIAL PROJECTS

12	General Fund--State Appropriation (FY 2014)	\$1,609,000
13	General Fund--State Appropriation (FY 2015)	(\$1,610,000)
14		<u>\$449,000</u>
15	General Fund--Federal Appropriation	\$6,286,000
16	TOTAL APPROPRIATION	(\$9,505,000)
17		<u>\$8,344,000</u>

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

20 (a) \$1,161,000 of the general fund--state appropriation for fiscal
 21 year 2014 (~~and \$1,161,000 of the general fund--state appropriation for~~
 22 ~~fiscal year 2015 are~~) is provided solely for children's evidence-based
 23 mental health services.

24 (b) \$446,000 of the general fund--state appropriation for fiscal
 25 year 2014, \$446,000 of the general fund--state appropriation for fiscal
 26 year 2015, and \$178,000 of the general fund--federal appropriation are
 27 provided solely for the University of Washington's evidence-based
 28 practice institute which supports the identification, evaluation, and
 29 implementation of evidence-based or promising practices. The institute
 30 must work with the department to develop a plan to seek private,
 31 federal, or other grant funding in order to reduce the need for state
 32 general funds. The institute and the department must submit this plan
 33 to the office of financial management and the fiscal committees of the
 34 legislature by December 1, 2013.

35 (4) PROGRAM SUPPORT

36	General Fund--State Appropriation (FY 2014)	(\$5,287,000)
37		<u>\$5,567,000</u>

1	General Fund--State Appropriation (FY 2015)	(\$4,777,000)
2		<u>\$6,337,000</u>
3	General Fund--Federal Appropriation	(\$7,711,000)
4		<u>\$8,466,000</u>
5	General Fund--Private/Local Appropriation	\$502,000
6	TOTAL APPROPRIATION	(\$18,277,000)
7		<u>\$20,872,000</u>

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

10 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
11 the department is authorized to adopt license and certification fees in
12 fiscal years 2014 and 2015 to support the costs of the regulatory
13 program. The department's fee schedule shall have differential rates
14 for providers with proof of accreditation from organizations that the
15 department has determined to have substantially equivalent standards to
16 those of the department, including but not limited to the joint
17 commission on accreditation of health care organizations, the
18 commission on accreditation of rehabilitation facilities, and the
19 council on accreditation. To reflect the reduced costs associated with
20 regulation of accredited programs, the department's fees for
21 organizations with such proof of accreditation must reflect the lower
22 costs of licensing for these programs than for other organizations
23 which are not accredited.

24 (b) \$74,000 of the general fund--state appropriation for fiscal
25 year 2014, \$74,000 of the general fund--state appropriation for fiscal
26 year 2015, and \$78,000 of the general fund--federal appropriation are
27 provided solely for implementation of chapter 335, Laws of 2013 (ESSB
28 5480).

29 (c) \$160,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$80,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for implementation of chapter 284,
32 Laws of 2013 (ESSB 5551).

33 (d) In developing the new medicaid managed care rates under which
34 the public mental health managed care system will operate, the
35 department must seek to estimate the reasonable and necessary cost of
36 efficiently and effectively providing a comparable set of medically
37 necessary mental health benefits to persons of different acuity levels
38 regardless of where in the state they live. The department must report

1 to the office of financial management and to the relevant fiscal and
2 policy committees of the legislature on its proposed new mental health
3 managed care rate-setting approach by August 1, 2013, and again at
4 least sixty days prior to implementation of new capitation rates.

5 (e) \$349,000 of the general fund--state appropriation for fiscal
6 year 2014, \$212,000 of the general fund--state appropriation for fiscal
7 year 2015, and \$302,000 of the general fund--federal appropriation are
8 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and
9 chapter 338, Laws of 2013 (2SSB 5732).

10 (f) The department shall work cooperatively with the health care
11 authority to explore the feasibility of incentivizing small, rural
12 hospitals to convert, in part or fully, some of their beds to
13 psychiatric treatment beds. No later than December 31, 2014, the
14 department shall report to the appropriate fiscal committees of the
15 legislature on the feasibility of such conversion. The report shall
16 consider rate enhancements and the ability to claim federal medicaid
17 matching funds on converted beds.

18 (g) \$75,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$21,000 of the general fund--federal appropriation are
20 provided for implementation of section 9, chapter 197, Laws of 2013
21 (ESHB 1336). The department must utilize these funds for mental health
22 first aid training targeted at teachers and educational staff in
23 accordance with the training model developed by the department of
24 psychology in Melbourne, Australia.

25 (h) Within the amounts appropriated in this section, funding is
26 provided for the department to continue to develop the child adolescent
27 needs and strengths assessment tool and build workforce capacity to
28 provide evidence based wraparound services for children, consistent
29 with the anticipated settlement agreement in *T.R. v. Dreyfus and*
30 *Porter*.

31 (i) \$45,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$135,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for implementation of Second
34 Substitute Senate Bill No. 6312 (behavioral health purchasing). If the
35 bill is not enacted by June 30, 2014, the amounts provided in this
36 subsection shall lapse.

37 (j) \$45,000 of the general fund--state appropriation for fiscal
38 year 2014, \$135,000 of the general fund--state appropriation for fiscal

1 year 2015, and \$675,000 of the general fund--federal appropriation are
2 provided solely for the purposes of implementing statewide wraparound
3 with intensive services for children pursuant to Substitute Senate Bill
4 No. 6558 (children's mental health services). If the bill is not
5 enacted by June 30, 2014, the amounts provided in this subsection (j)
6 shall lapse.

7 **Sec. 205.** 2013 2nd sp.s. c 4 s 205 (uncodified) is amended to read
8 as follows:

9 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
10 **DISABILITIES PROGRAM**

11 (1) COMMUNITY SERVICES

12 General Fund--State Appropriation (FY 2014)	((\$439,963,000))
	<u>\$444,264,000</u>
14 General Fund--State Appropriation (FY 2015)	((\$458,131,000))
	<u>\$467,895,000</u>
16 General Fund--Federal Appropriation	((\$820,769,000))
	<u>\$832,546,000</u>
18 General Fund--Private/Local Appropriation	((\$21,000))
	<u>\$535,000</u>
20 TOTAL APPROPRIATION	((\$1,718,884,000))
	<u>\$1,745,240,000</u>

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

24 (a) Individuals receiving services as supplemental security income
25 (SSI) state supplemental payments shall not become eligible for medical
26 assistance under RCW 74.09.510 due solely to the receipt of SSI state
27 supplemental payments.

28 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
29 43.135.055, the department is authorized to increase nursing facility,
30 assisted living facility, and adult family home fees as necessary to
31 fully support the actual costs of conducting the licensure, inspection,
32 and regulatory programs. The license fees may not exceed the
33 department's annual licensing and oversight activity costs and shall
34 include the department's cost of paying providers for the amount of the
35 license fee attributed to medicaid clients.

36 (i) The current annual renewal license fee for adult family homes
37 shall be increased to \$225 per bed beginning in fiscal year 2014 and
38

1 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750
2 shall be charged to each adult family home when the home is initially
3 licensed. This fee is nonrefundable.

4 (ii) The current annual renewal license fee for assisted living
5 facilities shall be increased to \$106 per bed beginning in fiscal year
6 2014 and \$106 per bed beginning in fiscal year 2015.

7 (iii) The current annual renewal license fee for nursing facilities
8 shall be increased to \$359 per bed beginning in fiscal year 2014 and
9 \$359 per bed beginning in fiscal year 2015.

10 (c) The department may authorize a one-time waiver of all or any
11 portion of the licensing and processing fees required under RCW
12 70.128.060 in any case in which the department determines that an adult
13 family home is being relicensed because of exceptional circumstances,
14 such as death or incapacity of a provider, and that to require the full
15 payment of the licensing and processing fees would present a hardship
16 to the applicant.

17 (d) \$13,301,000 of the general fund--state appropriation for fiscal
18 year 2014, \$20,607,000 of the general fund--state appropriation for
19 fiscal year 2015, and \$33,910,000 of the general fund federal
20 appropriation are provided solely for the implementation of the
21 agreement reached between the governor and the service employees
22 international union healthcare 775nw through an interest arbitration
23 decision under the provisions of chapters 74.39A and 41.56 RCW for the
24 2013-2015 fiscal biennium.

25 ((~~d~~)) (e) \$6,244,000 of the general fund--state appropriation for
26 fiscal year 2014 and \$6,244,000 of the general fund--state
27 appropriation for fiscal year 2015 are appropriated solely for the
28 individual and family support program. Within these amounts, the
29 department shall expand the current number of clients receiving
30 services and focus on extending services to individuals with
31 developmental disabilities who are not otherwise receiving paid
32 services from the department.

33 (f) ((~~\$1,547,000~~)) \$774,000 of the general fund--state
34 appropriation for fiscal year 2015, and ((~~\$4,790,000~~)) \$2,395,000 of
35 the general fund--federal appropriation are provided solely for a
36 payment system that satisfies medicaid requirements regarding time
37 reporting for W-2 providers. The amounts provided in this subsection

1 are conditioned on the department satisfying the requirements of the
2 project management oversight standards and policies established by the
3 office of the chief information officer.

4 (g) \$1,707,000 of the general fund--state appropriation for fiscal
5 year 2014, \$2,670,000 of the general fund--state appropriation for
6 fiscal year 2015, and \$4,376,000 of the general fund--federal
7 appropriation are provided solely for the homecare agency parity
8 impacts of the service employees international union healthcare 775nw
9 arbitration award.

10 (h) The department is authorized to establish limited exemption
11 criteria in rule to address RCW 74.39A.325 when a landline phone is not
12 available to the employee.

13 (i) The department shall continue to provide the exceptional rate
14 established in 1999 to adult family homes that care solely for clients
15 with HIV/AIDS and shall not reduce the exceptional rate from the rate
16 paid on October 1, 2013.

17 (j) \$136,000 of the general fund--state appropriation for fiscal
18 year 2015 and \$559,000 of the general fund--federal appropriation are
19 provided solely for the purposes of converting individual and family
20 services to a medicaid program and expanding caseloads for individuals
21 with developmental disabilities pursuant to Substitute Senate Bill No.
22 6387 (developmental disabilities services). If the bill is not enacted
23 by June 30, 2014, the amounts provided in this subsection (j) shall
24 lapse.

25 (2) INSTITUTIONAL SERVICES

26	General Fund--State Appropriation (FY 2014)	((\$85,261,000))
27		<u>\$85,892,000</u>
28	General Fund--State Appropriation (FY 2015)	((\$84,980,000))
29		<u>\$85,865,000</u>
30	General Fund--Federal Appropriation	((\$160,021,000))
31		<u>\$161,677,000</u>
32	General Fund--Private/Local Appropriation	\$23,041,000
33	TOTAL APPROPRIATION	((\$353,303,000))
34		<u>\$356,475,000</u>

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

37 (a) Individuals receiving services as supplemental security income

1 (SSI) state supplemental payments shall not become eligible for medical
2 assistance under RCW 74.09.510 due solely to the receipt of SSI state
3 supplemental payments.

4 (b) \$721,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$721,000 of the general fund--state appropriation for
6 fiscal year 2015 are for the department to fulfill its contracts with
7 the school districts under chapter 28A.190 RCW to provide
8 transportation, building space, and other support services as are
9 reasonably necessary to support the educational programs of students
10 living in residential habilitation centers.

11 (3) PROGRAM SUPPORT

12	General Fund--State Appropriation (FY 2014)	((\$1,943,000))
13		<u>\$1,972,000</u>
14	General Fund--State Appropriation (FY 2015)	((\$1,993,000))
15		<u>\$2,090,000</u>
16	General Fund--Federal Appropriation	((\$1,957,000))
17		<u>\$2,108,000</u>
18	TOTAL APPROPRIATION	((\$5,893,000))
19		<u>\$6,170,000</u>

20 The appropriations in this subsection are subject to the following
21 conditions and limitations: \$68,000 of the general fund--state
22 appropriation for fiscal year 2015 and \$46,000 of the general fund--
23 federal appropriation are provided solely for the purposes of designing
24 and implementing the community first choice option benefit pursuant to
25 Substitute Senate Bill No. 6387 (developmental disabilities services).
26 If the bill is not enacted by June 30, 2014, the amounts provided in
27 this subsection shall lapse.

28 (4) SPECIAL PROJECTS

29	General Fund--State Appropriation (FY 2014)	\$1,400,000
30	General Fund--State Appropriation (FY 2015)	\$1,400,000
31	General Fund--Federal Appropriation	\$1,200,000
32	TOTAL APPROPRIATION	\$4,000,000

33 **Sec. 206.** 2013 2nd sp.s. c 4 s 206 (uncodified) is amended to read
34 as follows:

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

37	General Fund--State Appropriation (FY 2014)	((\$869,628,000))
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1		<u>\$860,070,000</u>
2	General Fund--State Appropriation (FY 2015)	((\$923,218,000))
3		<u>\$914,645,000</u>
4	General Fund--Federal Appropriation	((\$1,934,089,000))
5		<u>\$1,876,105,000</u>
6	General Fund--Private/Local Appropriation	((\$30,122,000))
7		<u>\$33,471,000</u>
8	Traumatic Brain Injury Account--State	
9	Appropriation	\$3,393,000
10	Skilled Nursing Facility Safety Net Trust Account--State	
11	Appropriation	\$88,000,000
12	TOTAL APPROPRIATION	((\$3,848,450,000))
13		<u>\$3,775,684,000</u>

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

16 (1) For purposes of implementing chapter 74.46 RCW, the weighted
17 average nursing facility payment rate shall not exceed \$171.35 for
18 fiscal year 2014 and shall not exceed \$171.58 for fiscal year 2015,
19 including the rate add-ons described in (a) and (b) of this subsection.
20 However, if the waiver requested from the federal centers for medicare
21 and medicaid services in relation to the safety net assessment is for
22 any reason disapproved, the weighted average nursing facility payment
23 rate shall not exceed \$162.43 for fiscal year 2014 and shall not exceed
24 \$163.58 for fiscal year 2015. There will be no adjustments for
25 economic trends and conditions in fiscal years 2014 and 2015. The
26 economic trends and conditions factor or factors defined in the
27 biennial appropriations act shall not be compounded with the economic
28 trends and conditions factor or factors defined in any other biennial
29 appropriations acts before applying it to the component rate
30 allocations established in accordance with chapter 74.46 RCW. When no
31 economic trends and conditions factor for either fiscal year is defined
32 in a biennial appropriations act, no economic trends and conditions
33 factor or factors defined in any earlier biennial appropriations act
34 shall be applied solely or compounded to the component rate allocations
35 established in accordance with chapter 74.46 RCW.

36 (a) Within the funds provided, the department shall continue to
37 provide an add-on per medicaid resident day per facility not to exceed
38 \$1.57. The add-on shall be used to increase wages, benefits, and/or

1 staffing levels for certified nurse aides; or to increase wages and/or
2 benefits for dietary aides, housekeepers, laundry aides, or any other
3 category of worker whose statewide average dollars-per-hour wage was
4 less than \$15 in calendar year 2008, according to cost report data.
5 The add-on may also be used to address resulting wage compression for
6 related job classes immediately affected by wage increases to low-wage
7 workers. The department shall continue reporting requirements and a
8 settlement process to ensure that the funds are spent according to this
9 subsection.

10 (b) The department shall do a comparative analysis of the facility-
11 based payment rates calculated on July 1, 2013, using the payment
12 methodology defined in chapter 74.46 RCW and as funded in the omnibus
13 appropriations act, excluding the comparative add-on, acuity add-on,
14 and safety net reimbursement, to the facility-based payment rates in
15 effect June 30, 2010. If the facility-based payment rate calculated on
16 July 1, 2013, is smaller than the facility-based payment rate on June
17 30, 2010, then the difference shall be provided to the individual
18 nursing facilities as an add-on payment per medicaid resident day.

19 (c) During the comparative analysis performed in subsection (b) of
20 this section, if it is found that the direct care rate for any facility
21 calculated using the payment methodology defined in chapter 74.46 RCW
22 and as funded in the omnibus appropriations act, excluding the
23 comparative add-on, acuity add-on, and safety net reimbursement, is
24 greater than the direct care rate in effect on June 30, 2010, then the
25 facility shall receive a ten percent direct care rate add-on to
26 compensate that facility for taking on more acute clients than they
27 have in the past.

28 (d) The department shall provide a medicaid rate add-on to
29 reimburse the medicaid share of the skilled nursing facility safety net
30 assessment as a medicaid allowable cost. The nursing facility safety
31 net rate add-on may not be included in the calculation of the annual
32 statewide weighted average nursing facility payment rate.

33 (e) The rate add-on provided in (c) of this subsection is subject
34 to the reconciliation and settlement process provided in RCW
35 74.46.022(6).

36 (f) If the waiver requested from the federal centers for medicare
37 and medicaid services in relation to the safety net assessment is for

1 any reason disapproved, (b), (c), and (d) of this subsection do not
2 apply.

3 (2) In accordance with chapter 74.46 RCW, the department shall
4 issue no additional certificates of capital authorization for fiscal
5 year 2014 and no new certificates of capital authorization for fiscal
6 year 2015 and shall grant no rate add-ons to payment rates for capital
7 improvements not requiring a certificate of need and a certificate of
8 capital authorization for fiscal years 2014 and 2015.

9 (3) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
10 43.135.055, the department is authorized to increase nursing facility,
11 assisted living facility, and adult family home fees as necessary to
12 fully support the actual costs of conducting the licensure, inspection,
13 and regulatory programs. The license fees may not exceed the
14 department's annual licensing and oversight activity costs and shall
15 include the department's cost of paying providers for the amount of the
16 license fee attributed to medicaid clients.

17 (a) The current annual renewal license fee for adult family homes
18 shall be increased to \$225 per bed beginning in fiscal year 2014 and
19 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750
20 shall be charged to each adult family home when the home is initially
21 licensed. This fee is nonrefundable.

22 (b) The current annual renewal license fee for assisted living
23 facilities shall be increased to \$106 per bed beginning in fiscal year
24 2014 and \$106 per bed beginning in fiscal year 2015.

25 (c) The current annual renewal license fee for nursing facilities
26 shall be increased to \$359 per bed beginning in fiscal year 2014 and
27 \$359 per bed beginning in fiscal year 2015.

28 (4) The department may authorize a one-time waiver of all or any
29 portion of the licensing and processing fees required under RCW
30 70.128.060 in any case in which the department determines that an adult
31 family home is being relicensed because of exceptional circumstances,
32 such as death or incapacity of a provider, and that to require the full
33 payment of the licensing and processing fees would present a hardship
34 to the applicant.

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

1 ~~((+5))~~ (6) \$30,640,000 of the general fund--state appropriation
2 for fiscal year 2014, \$48,633,000 of the general fund--state
3 appropriation for fiscal year 2015, and \$79,273,000 of the general
4 fund--federal appropriation are provided solely for the implementation
5 of the agreement reached between the governor and the service employees
6 international union healthcare 775nw through an interest arbitration
7 decision under the provisions of chapters 74.39A and 41.56 RCW for the
8 2013-2015 fiscal biennium.

9 ~~((+6))~~ (7) \$1,840,000 of the general fund--state appropriation for
10 fiscal year 2014 and \$1,877,000 of the general fund--state
11 appropriation for fiscal year 2015 are provided solely for operation of
12 the volunteer services program. Funding shall be prioritized towards
13 serving populations traditionally served by long-term care services to
14 include senior citizens and persons with disabilities.

15 ~~((+7) \$4,894,000)~~ (8) \$2,447,000 of the general fund--state
16 appropriation for fiscal year 2015, and ~~((+15,150,000))~~ \$7,575,000 of
17 the general fund--federal appropriation are provided solely for a
18 payment system that satisfies medicaid requirements regarding time
19 reporting for W-2 providers. The amounts provided in this subsection
20 are conditioned on the department satisfying the requirements of the
21 project management oversight standards and policies established by the
22 office of the chief information officer.

23 ~~((+8))~~ (9) The department is authorized to establish limited
24 exemption criteria in rule to address RCW 74.39A.325 when a landline
25 phone is not available to the employee.

26 ~~((+9))~~ (10) Within the amounts appropriated in this section, in a
27 report to the appropriate fiscal committees of the legislature that
28 must be submitted by December 1, 2013, the department of social and
29 health services must describe the process for establishing medicaid
30 rates for assisted living and adult family homes. The report must
31 include information about licensing and physical plant standards,
32 contracting provisions, and per capita and biennial expenditures for
33 assisted living and adult family homes.

34 ~~((+10))~~ (11) \$10,800,000 of the general fund--state appropriation
35 for fiscal year 2014, \$17,768,000 of the general fund--state
36 appropriation for fiscal year 2015, and \$28,567,000 of the general
37 fund--federal appropriation are provided solely for the homecare agency

1 parity impacts of the service employees international union healthcare
2 775nw arbitration award.

3 ((+11+)) (12) \$33,000 of the general fund--state appropriation for
4 fiscal year 2014, \$17,000 of the general fund--state appropriation for
5 fiscal year 2015, and \$50,000 of the general fund--federal
6 appropriation are provided solely for staffing and other expenses
7 associated with the work of the joint legislative executive committee
8 on planning for aging and disability issues that is established by this
9 subsection.

10 (a) A joint legislative executive committee on aging and disability
11 is established, with members as provided in this subsection.

12 (i) Four members of the senate, with the leaders of the two largest
13 caucuses each appointing two members. Four members of the house of
14 representatives, with the leaders of the two largest caucuses each
15 appointing two members;

16 (ii) A member from the office of the governor, appointed by the
17 governor;

18 (iii) The secretary of the department of social and health services
19 or his or her designee;

20 (iv) The director of the health care authority or his or her
21 designee; and

22 (v) The director of the department of retirement systems or his or
23 her designee.

24 (b) The committee must convene by September 1, 2013. At the first
25 meeting, the committee will select cochairs from among its members who
26 are legislators. All meetings of the committee are open to the public.

27 (c) The purpose of the committee is to identify key strategic
28 actions to prepare for the aging of the population in Washington,
29 including state budget and policy options, by conducting at least, but
30 not limited to, the following tasks:

31 (i) Establish a profile of Washington's current population of older
32 people and people with disabilities and a projection of population
33 growth through 2030;

34 (ii) Establish an inventory of services and supports currently
35 available to older people and people with disabilities from the health
36 care and long-term services and support systems and other community
37 resources such as housing, transportation, income support, and
38 protection for vulnerable adults;

1 (iii) Identify state budget and policy options to more effectively
2 use state, federal and private resources to, over time, reduce the
3 growth rate in state expenditures that would otherwise occur by
4 continuing current policy in light of significant population growth;

5 (iv) Identify strategies to better serve the health care needs of
6 an aging population and people with disabilities, and promote healthy
7 living;

8 (v) Identify policy options to create financing mechanisms for
9 long-term services and supports that will promote additional private
10 responsibility for individuals and families to meet their needs for
11 service;

12 (vi) Identify policies to promote financial security in retirement,
13 support people who wish to stay in the workplace longer, and expand the
14 availability of workplace retirement savings plans; and

15 (vii) Identify policy options to help communities adapt to the
16 aging demographic in planning for housing, land use and transportation.

17 (d) The committee shall consult with the office of the insurance
18 commissioner, the caseload forecast council, health care authority, and
19 other appropriate entities with specialized knowledge of the needs and
20 growth trends of the aging population and people with disabilities.

21 (e) Staff support for the committee shall be provided by the office
22 of program research, senate committee services, the office of financial
23 management, and the department of social and health services.

24 (f) Within existing appropriations, the cost of meetings must be
25 paid jointly by the senate, house of representatives, and the office of
26 financial management. Joint committee expenditures are subject to
27 approval by the senate facilities and operations committee and the
28 house of representatives executive rules committee, or their successor
29 committees. The joint committee members may be reimbursed for travel
30 expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter
31 44.04 RCW as appropriate. Advisory committee members may not receive
32 compensation or reimbursement for travel and expenses.

33 (g) The committee shall issue an interim report to the legislature
34 by December 10, 2013, and issue final recommendations to the governor
35 and relevant standing committees of the legislature by December 10,
36 2014.

37 ((+12)) (13) \$240,000 of the general fund--state appropriation for
38 fiscal year 2014, \$1,342,000 of the general fund--state appropriation

1 for fiscal year 2015, and \$1,468,000 of the general fund--federal
2 appropriation are provided solely to implement chapter 320, Laws of
3 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

4 ~~((+13))~~ (14) The department shall review the capital add-on rate
5 established by RCW 74.39A.320 for effectiveness in incentivizing
6 assisted living facilities to serve Medicaid eligible clients. Upon
7 completing its review, the department shall submit its findings along
8 with recommendations for alternatives to the office of financial
9 management and the fiscal committees of the legislature by December 1,
10 2013. The department is encouraged to engage stakeholders in
11 developing alternatives.

12 ~~((+14))~~ (15) \$239,000 of the general fund--state appropriation for
13 fiscal year 2014, \$160,000 of the general fund--state appropriation for
14 fiscal year 2015, and \$398,000 of the general fund--federal
15 appropriation are provided solely to implement chapter 300, Laws of
16 2013 (SSB 5630).

17 (16) \$5,094,000 of the general fund--state appropriation for fiscal
18 year 2015 is provided solely for services and support to individuals
19 who are deaf, hard of hearing, or deaf-blind.

20 (17) \$30,000 of the general fund--state appropriation for fiscal
21 year 2014 is provided solely for the department to contract with area
22 agencies on aging to convene a work group to include first responders
23 and companies providing life alert or other emergency alert services
24 and to develop a proposal on how vulnerable adults who have life alert
25 services might be made known to first responders in the event of a
26 long-term power or telecommunications outage. The work group shall
27 review methods for information sharing to include:

28 (a) Protocols and conditions in which information would be shared;

29 (b) A process whereby vulnerable life alert and emergency alert
30 customers may provide permission for their information to be shared in
31 the event of an emergency;

32 (c) Privacy protections for participants in the program; and

33 (d) Liability protections for agencies that collect, maintain, and
34 track information.

35 The work group shall develop recommendations and provide them to the
36 office of financial management and to the appropriate legislative
37 committees by November 15, 2014.

1 (18) Within existing appropriations, the department is authorized
2 to implement the fully capitated demonstration project for individuals
3 who are dually eligible for medicare and medicaid. Savings realized
4 from this implementation may be used to offset any general fund--state
5 costs incurred by the department.

6 (19) \$233,000 of the general fund--state appropriation for fiscal
7 year 2015 and \$175,000 of the general fund--federal appropriation are
8 provided solely for the purposes of designing and implementing the
9 community first choice option benefit pursuant to Substitute Senate
10 Bill No. 6387 (developmental disabilities services). If the bill is
11 not enacted by June 30, 2014, the amounts provided in this subsection
12 shall lapse.

13 **Sec. 207.** 2013 2nd sp.s. c 4 s 207 (uncodified) is amended to read
14 as follows:

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

17	General Fund--State Appropriation (FY 2014)	((\$402,504,000))
18		<u>\$363,084,000</u>
19	General Fund--State Appropriation (FY 2015)	((\$405,019,000))
20		<u>\$369,714,000</u>
21	General Fund--Federal Appropriation	((\$1,211,774,000))
22		<u>\$1,214,981,000</u>
23	General Fund--Private/Local Appropriation	((\$30,594,000))
24		<u>\$36,450,000</u>
25	<u>Administration Contingency Account--State</u>	
26	<u>Appropriation</u>	<u>\$5,000,000</u>
27	TOTAL APPROPRIATION	((\$2,049,891,000))
28		<u>\$1,989,229,000</u>

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

31 (1)(a) ((~~\$178,757,000~~)) \$136,955,000 of the general fund--state
32 appropriation for fiscal year 2014, ((~~\$172,999,000~~)) \$137,766,000 of
33 the general fund--state appropriation for fiscal year 2015, \$5,000,000
34 of the administrative contingency account--state appropriation, and
35 ((~~\$732,881,000~~)) \$756,523,000 of the general fund--federal
36 appropriation are provided solely for all components of the WorkFirst
37 program. Within the amounts provided for the WorkFirst program, the

1 department may provide assistance using state-only funds for families
2 eligible for temporary assistance for needy families. The department
3 must create a WorkFirst budget structure that allows for transparent
4 tracking of budget units and subunits of expenditures where these units
5 and subunits are mutually exclusive from other department budget units.
6 The budget structure must include budget units for the following: Cash
7 assistance, child care, WorkFirst activities, and administration of the
8 program. Within these budget units, the department must develop
9 program index codes for specific activities and develop allotments and
10 track expenditures using these codes. The department shall report to
11 the office of financial management and the relevant fiscal and policy
12 committees of the legislature prior to adopting the new structure. The
13 secretary of the department of social and health services, working with
14 WorkFirst partner agencies and in collaboration with the WorkFirst
15 oversight task force, shall develop a plan for maximizing the following
16 outcomes and shall report back to the legislature by November 1, 2013.
17 The outcomes to be measured are: (i) Increased employment; (ii)
18 completion of education or post-secondary training; (iii) completion of
19 barrier removal activity including drug and alcohol or mental health
20 treatment; (iv) housing stability; (v) child care or education
21 stability for the children of temporary assistance for needy families
22 recipients; (vi) reduced rate of return after exit from the WorkFirst
23 program; and (vii) work participation requirements.

24 (b) (~~(\$406,818,000)~~) \$372,704,000 of the amounts in (a) of this
25 subsection are provided solely for assistance to clients, including
26 grants, diversion cash assistance, and additional diversion emergency
27 assistance including but not limited to assistance authorized under RCW
28 74.08A.210. The department may use state funds to provide support to
29 working families that are eligible for temporary assistance for needy
30 families but otherwise not receiving cash assistance.

31 (c) (~~(\$168,019,000)~~) \$167,808,000 of the amounts in (a) of this
32 subsection are provided solely for WorkFirst job search, education and
33 training activities, barrier removal services, limited English
34 proficiency services, and tribal assistance under RCW 74.08A.040. The
35 department must allocate this funding based on client outcomes and cost
36 effectiveness measures.

37 (d) (~~(\$367,676,000)~~) \$352,085,000 of the amounts in (a) of this
38 subsection are provided solely for the working connections child care

1 program under RCW 43.215.135. The amounts provided in this subsection
2 (d) are provided conditioned on the department of social and health
3 services and the department of early learning taking additional actions
4 to identify and reduce the backlog of overpayment cases related to
5 public assistance programs, including the working connections child
6 care program. The departments shall collaborate and create a plan to
7 triage overpayment cases in a manner that identifies and prioritizes
8 cases with large overpayments and likelihood of fraudulent activity.
9 The departments shall provide a quarterly report to the appropriate
10 policy and fiscal committees of the legislature detailing the specific
11 actions taken as a result of this subsection (d). The department of
12 social and health services shall also establish an interagency
13 agreement with the state auditor's office to conduct an independent
14 performance audit of the office of fraud and accountability recovery.
15 The audit shall include an analysis of the data reporting elements used
16 by the office, current methods for determining the closing of cases,
17 workload allocation, and issues associated with coordination between
18 the two departments. \$300,000 of the amount provided in this
19 subsection (d) is provided solely for this performance audit.

20 (e) (~~(\$142,124,000)~~) \$142,974,000 of the amounts in (a) of this
21 subsection are provided solely for WorkFirst and working connections
22 child care administration and overhead.

23 (f) The amounts in (b) through (~~(d)~~) (e) of this subsection shall
24 be expended for the programs and in the amounts specified. However,
25 the department may transfer up to 10 percent of funding between (b)
26 through (~~(d)~~) (e) of this subsection, but only if the funding is
27 available or necessary to transfer solely due to utilization, caseload
28 changes, or underperformance in terms of client outcomes. The
29 department shall provide notification prior to any transfer to the
30 office of financial management and to the appropriate legislative
31 committees and the legislative-executive WorkFirst oversight task
32 force. The approval of the director of financial management is
33 required prior to any transfer under this subsection.

34 (2) \$1,657,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$1,657,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for naturalization services.

37 (3) \$2,366,000 of the general fund--state appropriation for fiscal
38 year 2014 is provided solely for employment services for refugees and

1 immigrants, of which \$1,774,000 is provided solely for the department
2 to pass through to statewide refugee and immigrant assistance
3 organizations for limited English proficiency pathway services; and
4 \$2,366,000 of the general fund--state appropriation for fiscal year
5 2015 is provided solely for employment services for refugees and
6 immigrants, of which \$1,774,000 is provided solely for the department
7 to pass through to statewide refugee and immigrant assistance
8 organizations for limited English proficiency pathway services.

9 (4) On December 1, 2013, and annually thereafter, the department
10 must report to the legislature on all sources of funding available for
11 both refugee and immigrant services and naturalization services during
12 the current fiscal year and the amounts expended to date by service
13 type and funding source. The report must also include the number of
14 clients served and outcome data for the clients.

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

20 (6) \$18,000 of the general fund--state appropriation for fiscal
21 year 2014 is provided solely for implementation of section 1, chapter
22 337, Laws of 2013 (2SSB 5595).

23 (7) \$4,729,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$4,729,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for implementation of the
26 telephone assistance program and the Washington information network 211
27 organization pursuant to Substitute House Bill No. 1971 (communication
28 services). Of these funds, \$500,000 of the general fund--state
29 appropriation for fiscal year 2014 and \$500,000 of the general fund--
30 state appropriation for fiscal year 2015 are provided solely for
31 operational support of the Washington information network 211
32 organization. If Substitute House Bill No. 1971 (communication
33 services) is not enacted by June 30, 2013, the amounts provided in this
34 subsection shall lapse.

35 (8) The department shall review clients receiving services through
36 the aged, blind, or disabled assistance program, to determine whether
37 they would benefit from assistance in becoming naturalized citizens,

1 and thus be eligible to receive federal supplemental security income
2 benefits. Those cases shall be given high priority for naturalization
3 funding through the department.

4 (9) The department shall continue the interagency agreement with
5 the department of veterans' affairs to establish a process for referral
6 of veterans who may be eligible for veterans' services. This agreement
7 must include out-stationing department of veterans' affairs staff in
8 selected community service office locations in King and Pierce counties
9 to facilitate applications for veterans' services.

10 (10) \$500,000 of the general fund--state appropriation for fiscal
11 year 2014 and (~~(\$1,500,000)~~) \$650,000 of the general fund--state
12 appropriation for fiscal year 2015 are provided solely for
13 implementation of Substitute House Bill No. 2069 (safety net benefits).
14 If the bill is not enacted by June 30, 2013, the amounts provided in
15 this subsection shall lapse.

16 **Sec. 208.** 2013 2nd sp.s. c 4 s 208 (uncodified) is amended to read
17 as follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
19 **SUBSTANCE ABUSE PROGRAM**

20	General Fund--State Appropriation (FY 2014)	((\$72,650,000))
21		<u>\$73,008,000</u>
22	General Fund--State Appropriation (FY 2015)	((\$61,855,000))
23		<u>\$63,616,000</u>
24	General Fund--Federal Appropriation	((\$277,248,000))
25		<u>\$279,242,000</u>
26	General Fund--Private/Local Appropriation	((\$13,554,000))
27		<u>\$16,316,000</u>
28	Criminal Justice Treatment Account--State	
29	Appropriation	((\$14,568,000))
30		<u>\$14,285,000</u>
31	Problem Gambling Account--State Appropriation	\$1,450,000
32	TOTAL APPROPRIATION	((\$441,325,000))
33		<u>\$447,917,000</u>

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

36 (1) Within the amounts appropriated in this section, the department
37 may contract with the University of Washington and community-based

1 providers for the provision of the parent-child assistance program or
2 other specialized chemical dependency case management providers for
3 pregnant, post-partum, and parenting women. For all contractors: (a)
4 Service and other outcome data must be provided to the department by
5 request; (b) program modifications needed to maximize access to federal
6 medicaid matching funds will be phased in over the course of the 2013-
7 2015 fiscal biennium; and (c) indirect charges for administering the
8 program shall not exceed ten percent of the total contract amount.

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

14 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
15 department is authorized to adopt fees for the review and approval of
16 treatment programs in fiscal years 2014 and 2015 as necessary to
17 support the costs of the regulatory program. The department's fee
18 schedule shall have differential rates for providers with proof of
19 accreditation from organizations that the department has determined to
20 have substantially equivalent standards to those of the department,
21 including but not limited to the joint commission on accreditation of
22 health care organizations, the commission on accreditation of
23 rehabilitation facilities, and the council on accreditation. To
24 reflect the reduced costs associated with regulation of accredited
25 programs, the department's fees for organizations with such proof of
26 accreditation must reflect the lower cost of licensing for these
27 programs than for other organizations which are not accredited.

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

32 (5) \$2,600,000 of the general fund--state appropriation for fiscal
33 year 2014 is provided solely for the department to transition 128 beds
34 from settings that are considered institutions for mental diseases to
35 facilities with no more than 16 beds that are able to claim federal
36 match for services provided to medicaid clients or individuals covered
37 under the department's section 1115 medicaid waiver. The department
38 may conduct a request for proposal process to fulfill this requirement

1 and adopt rates that are comparable to the pilot projects implemented
2 in the 2011-13 fiscal biennium. The department may use these funds to
3 assist with the costs of providers in setting up or converting to 16-
4 bed facilities. This funding may also be used for providers that are
5 developing new capacity for clients who will become eligible for
6 services under the affordable care act medicaid expansion. The number
7 of beds available for pregnant and parenting women must not be reduced.

8 (6) (~~(\$283,000 of the criminal justice treatment account~~
9 ~~appropriation is provided solely for transitional funding for the~~
10 ~~family drug court in Pierce county.)) Within existing appropriations,
11 the department shall prioritize the prevention and treatment of
12 intravenous, opiate-based drug use.~~

13 (7) \$62,000 of the general fund--state appropriation for fiscal
14 year 2015 is provided solely to expand access to a program located in
15 a county with a population over 700,000 that provides case management
16 and coordinating services for low-income women who are pregnant or
17 parenting and have a suspected history of alcohol or drug abuse.

18 **Sec. 209.** 2013 2nd sp.s. c 4 s 209 (uncodified) is amended to read
19 as follows:

20 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
21 **REHABILITATION PROGRAM**

22	General Fund--State Appropriation (FY 2014)	((\$16,478,000))
23		<u>\$16,523,000</u>
24	General Fund--State Appropriation (FY 2015)	((\$16,459,000))
25		<u>\$11,410,000</u>
26	General Fund--Federal Appropriation	((\$99,413,000))
27		<u>\$99,397,000</u>
28	TOTAL APPROPRIATION	((\$132,350,000))
29		<u>\$127,330,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations: \$5,006,000 of the general fund--state
32 appropriation for fiscal year 2014 (~~and \$5,094,000 of the general~~
33 ~~fund--state appropriation for fiscal year 2015 are)) is provided solely
34 for services and support to individuals who are deaf, hard of hearing,
35 or deaf-blind.~~

1 **Sec. 210.** 2013 2nd sp.s. c 4 s 210 (uncodified) is amended to read
2 as follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
4 **PROGRAM**

5	General Fund--State Appropriation (FY 2014)	((\$36,420,000))
6		<u>\$37,738,000</u>
7	General Fund--State Appropriation (FY 2015)	((\$35,813,000))
8		<u>\$37,115,000</u>
9	TOTAL APPROPRIATION	((\$72,233,000))
10		<u>\$74,853,000</u>

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

13 (1) The department of social and health services shall transfer the
14 stewardship of McNeil Island to the department of corrections
15 industries program, effective September 1, 2013. The transferred
16 responsibilities shall include marine operations, waste water
17 treatment, water treatment, road maintenance, and any other general
18 island maintenance that is not site specific to the operations of the
19 special commitment center or the Pierce county secure community
20 transition facility. Facility maintenance within the perimeter of the
21 special commitment center shall remain the responsibility of the
22 department of social and health services. Capital repairs and
23 maintenance necessary to maintain the special commitment center on
24 McNeil Island shall be managed by the department of social and health
25 services. The legislature directs both departments to enter into an
26 interagency agreement by August 1, 2013. The office of financial
27 management shall oversee the negotiations of the interagency agreement.
28 The interagency agreement must describe equipment that will transfer
29 between the departments, warehouse space that will be shared by the
30 departments, and occupancy requirements for any shops outside the
31 perimeter of the special commitment center. The office of financial
32 management will make the final determination on any disagreements
33 between the departments on the details of the interagency agreement.

34 (2) ((~~\$3,120,000~~)) \$3,042,000 of the general fund--state
35 appropriation for fiscal year 2014 and ((~~\$3,120,000~~)) \$3,024,000 of the
36 general fund--state appropriation for fiscal year 2015 are provided
37 solely for operational costs specific to island operations of the
38 special commitment center and the Pierce county secure community

1 transition facility. The department shall establish an accounting
2 structure that enables it to track and report on costs specific to
3 island operations.

4 (3) By November 1, 2014, the department of social and health
5 services shall provide a report to the office of financial management
6 and the appropriate fiscal and policy committees of the legislature
7 that evaluates the department's expenditures for certain medical and
8 pharmacy costs for its residents within the special commitment center.
9 The department, as part of its evaluation, shall consult with the
10 health care authority, the health benefits exchange, and the department
11 of corrections. At a minimum, the report must look at the following
12 items:

- 13 (a) Obtaining medicaid eligibility for residents;
- 14 (b) Feasibility of obtaining insurance for residents through the
15 health benefit exchange;
- 16 (c) Utilizing multi-state consortiums for the purchase of
17 pharmaceuticals to reduce costs; and
- 18 (d) Consolidating contracts for medical inpatient and outpatient
19 services with western state hospital.

20 (4) All employees of the department of social and health services
21 engaged in performing the powers, functions, and duties transferred to
22 the department of corrections industries program under this subsection,
23 are transferred to the department of corrections.

24 ((+4)) (5) All classified employees of the department of social
25 and health services assigned to the department of corrections under
26 this subsection whose positions are within an existing bargaining unit
27 description at the department of corrections shall become a part of the
28 existing bargaining unit at the department of corrections and shall be
29 considered an appropriate inclusion or modification of the existing
30 bargaining unit under the provisions of chapter 41.80 RCW.

31 **Sec. 211.** 2013 2nd sp.s. c 4 s 211 (uncodified) is amended to read
32 as follows:

33 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
34 **SUPPORTING SERVICES PROGRAM**

35	General Fund--State Appropriation (FY 2014)	(((\$30,127,000))
36		<u>\$29,732,000</u>
37	General Fund--State Appropriation (FY 2015)	(((\$29,333,000))

1		<u>\$29,649,000</u>
2	General Fund--Federal Appropriation	((\$37,150,000))
3		<u>\$37,291,000</u>
4	General Fund--Private/Local Appropriation	\$654,000
5	TOTAL APPROPRIATION	((\$97,264,000))
6		<u>\$97,326,000</u>

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

9 (1) \$395,000 of the general fund--state appropriation for fiscal
10 year 2014, \$228,000 of the general fund--state appropriation for fiscal
11 year 2015, and \$335,000 of the general fund--federal appropriation are
12 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and
13 chapter 338, Laws of 2013 (2SSB 5732).

14 (2) \$300,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$300,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for the Washington state mentors
17 program to continue its public-private partnerships to provide
18 technical assistance and training to mentoring programs that serve
19 at-risk youth.

20 (3) \$82,000 of the general fund--state appropriation for fiscal
21 year 2014, \$44,000 of the general fund--state appropriation for fiscal
22 year 2015, and \$28,000 of the general fund--federal appropriation are
23 provided solely to develop a report on state efforts to prevent and
24 control diabetes. The department, the health care authority, and the
25 department of health shall submit a coordinated report to the governor
26 and the appropriate committees of the legislature by December 31, 2014,
27 on the following:

28 (a) The financial impacts and reach that diabetes of all types and
29 undiagnosed gestational diabetes are having on the programs
30 administered by each agency and individuals, including children with
31 mothers with undiagnosed gestational diabetes, enrolled in those
32 programs. Items in this assessment must include: (i) The number of
33 lives with diabetes and undiagnosed gestational diabetes impacted or
34 covered by the programs administered by each agency; (ii) the number of
35 lives with diabetes, or at risk for diabetes, and family members
36 impacted by prevention and diabetes control programs implemented by
37 each agency; (iii) the financial toll or impact diabetes and its
38 complications, and undiagnosed gestational diabetes and the

1 complications experienced during labor to children of mothers with
2 gestational diabetes places on these programs in comparison to other
3 chronic diseases and conditions; and (iv) the financial toll or impact
4 diabetes and its complications, and diagnosed gestational diabetes and
5 the complications experienced during labor to children of mothers with
6 gestational diabetes places on these programs;

7 (b) An assessment of the benefits of implemented and existing
8 programs and activities aimed at controlling all types of diabetes and
9 preventing the disease. This assessment must also document the amount
10 and source for any funding directed to each agency for the programs and
11 activities aimed at reaching those with diabetes of all types;

12 (c) A description of the level of coordination existing between the
13 agencies on activities, programmatic activities, and messaging on
14 managing, treating, or preventing all types of diabetes and its
15 complications;

16 (d) The development or revision of detailed policy-related action
17 plans and budget recommendations for battling diabetes and undiagnosed
18 gestational diabetes that includes a range of actionable items for
19 consideration by the legislature. The plans and budget recommendations
20 must identify proposed action steps to reduce the impact of diabetes,
21 prediabetes, related diabetes complications, and undiagnosed
22 gestational diabetes. The plans and budget recommendations must also
23 identify expected outcomes of the action steps proposed in the
24 following biennium while also establishing benchmarks for controlling
25 and preventing all types of diabetes; and

26 (e) An estimate of savings, efficiencies, costs, and budgetary
27 savings and resources required to implement the plans and budget
28 recommendations identified in (d) of this subsection (5).

29 **Sec. 212.** 2013 2nd sp.s. c 4 s 212 (uncodified) is amended to read
30 as follows:

31 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
32 **AGENCIES PROGRAM**

33	General Fund--State Appropriation (FY 2014)	((\$60,470,000))
34		<u>\$61,998,000</u>
35	General Fund--State Appropriation (FY 2015)	((\$60,511,000))
36		<u>\$62,764,000</u>
37	General Fund--Federal Appropriation	((\$55,264,000))

1 \$56,148,000
 2 TOTAL APPROPRIATION ((~~\$176,245,000~~))
 3 \$180,910,000

4 **Sec. 213.** 2013 2nd sp.s. c 4 s 213 (uncodified) is amended to read
 5 as follows:

6 **FOR THE STATE HEALTH CARE AUTHORITY**
 7 General Fund--State Appropriation (FY 2014) ((~~\$2,131,026,000~~))
 8 \$2,143,469,000
 9 General Fund--State Appropriation (FY 2015) ((~~\$2,114,731,000~~))
 10 \$2,157,699,000
 11 General Fund--Federal Appropriation ((~~\$7,245,749,000~~))
 12 \$7,884,777,000
 13 General Fund--Private/Local Appropriation ((~~\$57,780,000~~))
 14 \$56,407,000
 15 Emergency Medical Services and Trauma Care Systems
 16 Trust Account--State Appropriation \$15,082,000
 17 Hospital Safety Net Assessment Fund--State
 18 Appropriation \$669,381,000
 19 Health Benefit Exchange Account--State
 20 Appropriation ((~~\$17,277,000~~))
 21 \$16,589,000
 22 State Health Care Authority Administration Account--
 23 State Appropriation ((~~\$34,809,000~~))
 24 \$35,137,000
 25 Medical Aid Account--State Appropriation \$528,000
 26 Medicaid Fraud Penalty Account--State Appropriation \$21,206,000
 27 TOTAL APPROPRIATION ((~~\$12,307,569,000~~))
 28 \$13,000,275,000

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

31 (1) ((~~\$1,143,994,000~~)) \$1,900,484,000 of the general fund--federal
 32 appropriation is provided solely to implement the medicaid expansion as
 33 defined in the social security act, section 1902(a)(10)(A)(i)(VIII),
 34 subject to the conditions and limitations in this subsection. If the
 35 federal medical assistance percentage for the medicaid expansion falls
 36 below the percentages in section 1905(y) of the social security act as
 37 of July 1, 2013, the authority shall ensure that the state does not

1 incur any additional state costs above what would have been incurred
2 had the federal medical assistance percentages remained at the
3 percentages in section 1905(y) as of July 1, 2013. The director is
4 authorized to make any necessary program adjustments to comply with
5 this requirement, including adding or adjusting premiums, modifying
6 benefits, or reducing optional programs. To the extent a waiver is
7 needed to accomplish this, the director shall promptly apply for such
8 waiver. If a necessary waiver is not approved, the medicaid expansion
9 program shall be terminated upon appropriate notification to the
10 legislature and enrollees.

11 (2) The requirements of this subsection apply to the basic health
12 plan. This subsection is null and void and has no further effect upon
13 implementation of the medicaid expansion under subsection (1) of this
14 section.

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

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

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

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

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

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

25 (4) Based on quarterly expenditure reports and caseload forecasts,
26 if the health care authority estimates that expenditures for the
27 medical assistance program will exceed the appropriations, the health
28 care authority shall take steps including but not limited to reduction
29 of rates or elimination of optional services to reduce expenditures so
30 that total program costs do not exceed the annual appropriation
31 authority.

32 (5) In determining financial eligibility for medicaid-funded
33 services, the health care authority is authorized to disregard
34 recoveries by Holocaust survivors of insurance proceeds or other
35 assets, as defined in RCW 48.104.030.

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

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

6 (8) \$4,261,000 of the general fund--state appropriation for fiscal
7 year 2014, \$4,261,000 of the general fund--state appropriation for
8 fiscal year 2015, and \$8,522,000 of the general fund--federal
9 appropriation are provided solely for low-income disproportionate share
10 hospital payments.

11 (9) \$400,000 of the general fund--state appropriation for fiscal
12 year 2014, \$400,000 of the general fund--state appropriation for fiscal
13 year 2015, and \$800,000 of the general fund--federal appropriation are
14 provided solely for disproportionate share hospital payments to rural
15 hospitals certified by the centers for medicare and medicaid services
16 as sole community hospitals as of January 1, 2013, with less than one
17 hundred fifty acute care licensed beds in fiscal year 2011 that do not
18 participate in the certified public expenditures program.

19 (10) \$100,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$100,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for grants to rural hospitals in
22 Clallam county that were certified by the centers for medicare and
23 medicaid services as sole community hospitals as of January 1, 2013,
24 with less than one hundred fifty acute care licensed beds in fiscal
25 year 2011.

26 (11) Within the amounts appropriated in this section, the health
27 care authority shall provide disproportionate share hospital payments
28 to hospitals that provide services to children in the children's health
29 program who are not eligible for services under Title XIX or XXI of the
30 federal social security act due to their citizenship status.

31 (12) \$6,000,000 of the general fund--federal appropriation is
32 provided solely for supplemental payments to nursing homes operated by
33 public hospital districts. The public hospital district shall be
34 responsible for providing the required nonfederal match for the
35 supplemental payment, and the payments shall not exceed the maximum
36 allowable under federal rules. It is the legislature's intent that the
37 payments shall be supplemental to and shall not in any way offset or
38 reduce the payments calculated and provided in accordance with part E

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

15 (13) The health care authority shall continue the inpatient
16 hospital certified public expenditures program for the 2013-2015 fiscal
17 biennium. The program shall apply to all public hospitals, including
18 those owned or operated by the state, except those classified as
19 critical access hospitals or state psychiatric institutions. The
20 health care authority shall submit reports to the governor and
21 legislature by November 1, 2013, and by November 1, 2014, that evaluate
22 whether savings continue to exceed costs for this program. If the
23 certified public expenditures (CPE) program in its current form is no
24 longer cost-effective to maintain, the health care authority shall
25 submit a report to the governor and legislature detailing
26 cost-effective alternative uses of local, state, and federal resources
27 as a replacement for this program. During fiscal year 2014 and fiscal
28 year 2015, hospitals in the program shall be paid and shall retain one
29 hundred percent of the federal portion of the allowable hospital cost
30 for each medicaid inpatient fee-for-service claim payable by medical
31 assistance and one hundred percent of the federal portion of the
32 maximum disproportionate share hospital payment allowable under federal
33 regulations. Inpatient medicaid payments shall be established using an
34 allowable methodology that approximates the cost of claims submitted by
35 the hospitals. Payments made to each hospital in the program in each
36 fiscal year of the biennium shall be compared to a baseline amount.
37 The baseline amount will be determined by the total of (a) the
38 inpatient claim payment amounts that would have been paid during the

1 fiscal year had the hospital not been in the CPE program based on the
2 reimbursement rates developed, implemented, and consistent with
3 policies approved in the 2013-2015 biennial operating appropriations
4 act and in effect on July 1, 2013, (b) one-half of the indigent
5 assistance disproportionate share hospital payment amounts paid to and
6 retained by each hospital during fiscal year 2005, and (c) all of the
7 other disproportionate share hospital payment amounts paid to and
8 retained by each hospital during fiscal year 2005 to the extent the
9 same disproportionate share hospital programs exist in the 2013-2015
10 fiscal biennium. If payments during the fiscal year exceed the
11 hospital's baseline amount, no additional payments will be made to the
12 hospital except the federal portion of allowable disproportionate share
13 hospital payments for which the hospital can certify allowable match.
14 If payments during the fiscal year are less than the baseline amount,
15 the hospital will be paid a state grant equal to the difference between
16 payments during the fiscal year and the applicable baseline amount.
17 Payment of the state grant shall be made in the applicable fiscal year
18 and distributed in monthly payments. The grants will be recalculated
19 and redistributed as the baseline is updated during the fiscal year.
20 The grant payments are subject to an interim settlement within eleven
21 months after the end of the fiscal year. A final settlement shall be
22 performed. To the extent that either settlement determines that a
23 hospital has received funds in excess of what it would have received as
24 described in this subsection, the hospital must repay the excess
25 amounts to the state when requested. (~~(\$3,860,000)~~) \$11,928,000 of the
26 general fund--state appropriation for fiscal year 2014 and
27 (~~(\$1,137,000)~~) \$9,521,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for state grants for the
29 participating hospitals.

30 (14) The health care authority shall seek public-private
31 partnerships and federal funds that are or may become available to
32 provide on-going support for outreach and education efforts under the
33 federal children's health insurance program reauthorization act of
34 2009.

35 (15) The health care authority shall target funding for maternity
36 support services towards pregnant women with factors that lead to
37 higher rates of poor birth outcomes, including hypertension, a preterm
38 or low birth weight birth in the most recent previous birth, a

1 cognitive deficit or developmental disability, substance abuse, severe
2 mental illness, unhealthy weight or failure to gain weight, tobacco
3 use, or African American or Native American race. The health care
4 authority shall prioritize evidence-based practices for delivery of
5 maternity support services. To the extent practicable, the health care
6 authority shall develop a mechanism to increase federal funding for
7 maternity support services by leveraging local public funding for those
8 services.

9 (16) \$170,000 of the general fund--state appropriation for fiscal
10 year 2014, \$121,000 of the general fund--state appropriation for fiscal
11 year 2015, and \$292,000 of the general fund--federal appropriation are
12 provided solely to implement Engrossed Substitute House Bill No. 1519
13 (service coordination organizations) and Second Substitute Senate Bill
14 No. 5732 (behavioral health services). If neither of the bills is
15 enacted by June 30, 2013, the amounts provided in this subsection shall
16 lapse.

17 (17) \$57,000 of the general fund--state appropriation for fiscal
18 year 2014, \$40,000 of the general fund--state appropriation for fiscal
19 year 2015, and \$55,000 of the general fund--federal appropriation are
20 provided solely to develop a report on state efforts to prevent and
21 control diabetes. The authority, the department of social and health
22 services, and the department of health shall submit a coordinated
23 report to the governor and the appropriate committees of the
24 legislature by December 31, 2014, on the following:

25 (a) The financial impacts and reach that diabetes of all types and
26 undiagnosed gestational diabetes are having on the programs
27 administered by each agency and individuals, including children with
28 mothers with undiagnosed gestational diabetes, enrolled in those
29 programs. Items in this assessment must include: (i) The number of
30 lives with diabetes and undiagnosed gestational diabetes impacted or
31 covered by the programs administered by each agency; (ii) the number of
32 lives with diabetes, or at risk for diabetes, and family members
33 impacted by prevention and diabetes control programs implemented by
34 each agency; (iii) the financial toll or impact diabetes and its
35 complications, and undiagnosed gestational diabetes and the
36 complications experienced during labor to children of mothers with
37 gestational diabetes places on these programs in comparison to other
38 chronic diseases and conditions; and (iv) the financial toll or impact

1 diabetes and its complications, and diagnosed gestational diabetes and
2 the complications experienced during labor to children of mothers with
3 gestational diabetes places on these programs;

4 (b) An assessment of the benefits of implemented and existing
5 programs and activities aimed at controlling all types of diabetes and
6 preventing the disease. This assessment must also document the amount
7 and source for any funding directed to each agency for the programs and
8 activities aimed at reaching those with diabetes of all types;

9 (c) A description of the level of coordination existing between the
10 agencies on activities, programmatic activities, and messaging on
11 managing, treating, or preventing all types of diabetes and its
12 complications;

13 (d) The development or revision of detailed policy-related action
14 plans and budget recommendations for battling diabetes and undiagnosed
15 gestational diabetes that includes a range of actionable items for
16 consideration by the legislature. The plans and budget recommendations
17 must identify proposed action steps to reduce the impact of diabetes,
18 prediabetes, related diabetes complications, and undiagnosed
19 gestational diabetes. The plans and budget recommendations must also
20 identify expected outcomes of the action steps proposed in the
21 following biennium while also establishing benchmarks for controlling
22 and preventing all types of diabetes; and

23 (e) An estimate of savings, efficiencies, costs, and budgetary
24 savings and resources required to implement the plans and budget
25 recommendations identified in (d) of this subsection (17).

26 (18) Within the amounts appropriated in this section, the authority
27 shall identify strategies to improve patient adherence to treatment
28 plans for diabetes and implement these strategies as a pilot through
29 one health home program to be identified by the authority. The
30 authority shall report to the governor and the legislature in December
31 2014 on the progress of strategy implementation. The authority shall
32 report to the governor and legislature in December 2015 on patient
33 outcomes and cost savings derived from new adherence strategies in the
34 health home model and make recommendations for improving the
35 strategies.

36 (19) Effective January 1, 2014, managed care contracts must
37 incorporate accountability measures that monitor patient health and
38 improved health outcomes, and shall include an expectation that each

1 patient receive a wellness examination that documents the baseline
2 health status and allows for monitoring of health improvements and
3 outcome measures.

4 (20) \$25,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$25,000 of the general fund--federal appropriation are
6 provided solely for the development of recommendations for funding
7 integrated school nursing and outreach services. The authority shall
8 collaborate with the office of the superintendent of public instruction
9 to develop recommendations for increasing federal financial
10 participation for providing nursing services in schools with the goals
11 of integrating nursing and outreach services and supporting one nurse
12 for every four hundred fifty students in elementary schools and one
13 nurse for every seven hundred fifty students in secondary schools. In
14 developing these recommendations, the authority shall inquire with the
15 federal centers for medicare and medicaid services about state plan
16 amendment or waiver options for receiving additional federal matching
17 funds for school nursing services provided to children enrolled in
18 apple health for kids. The recommendations shall include proposals for
19 funding training and reimbursement for nurses that provide outreach
20 services to help eligible students enroll in apple health for kids and
21 other social services programs. The authority and the office of the
22 superintendent of public instruction shall provide these
23 recommendations to the governor and the legislature by December 1,
24 2013.

25 (21) \$430,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$500,000 of the general fund--federal appropriation are
27 provided solely to complete grant requirements for the health
28 information exchange.

29 (22) \$143,000 of the medicaid fraud penalty account--state
30 appropriation and \$423,000 of the general fund--federal appropriation
31 are provided solely for the rebasing of outpatient and inpatient
32 payment methods.

33 (23) \$1,163,000 of the medicaid fraud penalty account--state
34 appropriation and \$9,710,000 of the general fund--federal appropriation
35 are provided solely to implement the conversion to the tenth version of
36 the world health organization's international classification of
37 diseases.

1 (24) \$111,000 of the general fund--state appropriation for fiscal
2 year 2014, \$35,000 of the general fund--state appropriation for fiscal
3 year 2015, and \$359,000 of the general fund--federal appropriation are
4 provided solely to update the medicaid information technology
5 architecture state self-assessment and to develop the five year road
6 map for the medicaid information technology architecture architect.

7 (25) \$62,000 of the general fund--state appropriation for fiscal
8 year 2014, \$62,000 of the general fund--state appropriation for fiscal
9 year 2015, and \$126,000 of the general fund--federal appropriation are
10 provided solely to support the Robert Bree collaborative's efforts to
11 disseminate evidence-based best practices for preventing and treating
12 health problems.

13 (26) Within the amounts appropriated in this section, the authority
14 shall increase reimbursement rates for primary care services provided
15 by independent nurse practitioners to medicare levels for the period
16 from July 1, 2013, to December 31, 2014.

17 (27) The authority shall seek a medicaid state plan amendment to
18 create a professional services supplemental payment managed care
19 program for professional services delivered to managed care recipients
20 by University of Washington medicine and other public professional
21 providers. This program shall be effective as soon as administratively
22 possible and shall operate concurrently with the existing professional
23 services supplemental payment program. The authority shall apply
24 federal rules for identifying the difference between average commercial
25 rates and fee-for-service medicaid payments. This difference will be
26 multiplied by the number of managed care encounters and incorporated
27 into the managed care plan capitation rates by a certified actuary.
28 The managed care plans will pay the providers the difference
29 attributable to the increased capitation rate. Participating providers
30 shall be solely responsible for providing the local funds required to
31 obtain federal matching funds. Any incremental costs incurred by the
32 authority in the development, implementation, and maintenance of this
33 program shall be the responsibility of the participating providers.
34 Participating providers shall retain the full amount of supplemental
35 payments provided under this program, net of any costs related to the
36 program that are disallowed due to audits or litigation against the
37 state.

1 (28) Sufficient amounts are appropriated in this section for the
2 authority to provide an adult dental benefit beginning January 1, 2014.

3 (29) To the extent allowed under federal law, the authority shall
4 require an adult client to enroll in full medicaid coverage instead of
5 family planning-only coverage unless the client is at risk of domestic
6 violence.

7 (30) The authority shall facilitate enrollment under the medicaid
8 expansion for clients applying for or receiving state funded services
9 from the authority and its contractors. Prior to open enrollment, the
10 authority shall coordinate with the department of social and health
11 services to provide referrals to the Washington health benefit exchange
12 for clients that will be ineligible for the medicaid expansion but are
13 enrolled in coverage that will be eliminated in the transition to the
14 medicaid expansion.

15 (31) \$90,000 of the general fund--state appropriation for fiscal
16 year 2014, \$90,000 of the general fund--state appropriation for fiscal
17 year 2015, and \$180,000 of the general fund--federal appropriation are
18 provided solely to continue operation by a nonprofit organization of a
19 toll-free hotline that assists families to learn about and enroll in
20 the apple health for kids program.

21 (32) Within the amounts appropriated in this section, the authority
22 shall reduce premiums for children with family incomes above 200
23 percent of the federal poverty level in the state-funded children's
24 health program who are not eligible for coverage under the federal
25 children's health insurance program. Premiums in the state and federal
26 children's health insurance program shall be equal.

27 (33) The appropriations in this section reflect savings and
28 efficiencies by transferring children receiving medical care provided
29 through fee-for-service to medical care provided through managed care.

30 (34) \$150,000 of the general fund--state appropriation for fiscal
31 year 2014, \$436,000 of the general fund--state appropriation for fiscal
32 year 2015, and \$170,561,000 of the general fund--federal appropriation
33 are provided solely for the provider incentive program and other
34 initiatives related to the health information technology medicaid plan.

35 (~~((37) \$1,531,000))~~) (35) \$1,528,000 of the general fund--state
36 appropriation for fiscal year 2014, (~~(\$280,000))~~) \$2,206,000 of the
37 general fund--state appropriation for fiscal year 2015, and
38 (~~(\$10,803,000))~~) \$17,920,000 of the general fund--federal appropriation

1 are provided solely to implement phase two of the project to create a
2 single provider payment system that consolidates medicaid medical and
3 social services payments and replaces the social service payment
4 system. The amounts provided in this subsection are conditioned on the
5 authority satisfying the requirements of the project management
6 oversight standards and policies established by the office of the chief
7 information officer.

8 ~~((+38+))~~ (36) Within the amounts appropriated in this section, the
9 health care authority and the department of social and health services
10 shall implement the state option to provide health homes for enrollees
11 with chronic conditions under section 2703 of the federal affordable
12 care act. The total state match for enrollees who are dually-eligible
13 for both medicare and medicaid and not enrolled in managed care shall
14 be no more than the net savings to the state from the enhanced match
15 rate for its medicaid-only managed care enrollees under section 2703.

16 ~~((+39+))~~ (37) The health care authority shall not initiate any
17 services that require expenditure of state general fund moneys unless
18 expressly authorized in this act or other law. The health care
19 authority may seek, receive, and spend, under RCW 43.79.260 through
20 43.79.282, federal moneys not anticipated in this act as long as the
21 federal funding does not require expenditure of state moneys for the
22 program in excess of amounts anticipated in this act. If the health
23 care authority receives unanticipated unrestricted federal moneys,
24 those moneys shall be spent for services authorized in this act or in
25 any other legislation providing appropriation authority, and an equal
26 amount of appropriated state general fund moneys shall lapse. Upon the
27 lapsing of any moneys under this subsection, the office of financial
28 management shall notify the legislative fiscal committees. As used in
29 this subsection, "unrestricted federal moneys" includes block grants
30 and other funds that federal law does not require to be spent on
31 specifically defined projects or matched on a formula basis by state
32 funds.

33 ~~((+40+))~~ (38) Within the amounts appropriated in this section, the
34 authority shall reimburse for primary care services provided by
35 naturopathic physicians.

36 ~~((+41+))~~ (39) Within amounts appropriated, the health care
37 authority shall conduct a review of its management and staffing
38 structure to identify efficiencies and opportunities to reduce full

1 time equivalent employees and other administrative costs. A report
2 summarizing the review and the authority's recommendations to reduce
3 costs and full time equivalent employees must be submitted to the
4 governor and legislature by November 1, 2013.

5 ~~((42) \$17,279,000))~~ (40) \$16,589,000 of the health benefit
6 exchange account--state appropriation and ~~((2,721,000))~~ \$3,409,000 of
7 the general fund--federal appropriation are provided solely to support
8 the operations of the Washington health benefit exchange from January
9 1, 2015, to June 30, 2015. The Washington state health insurance pool
10 administrator shall transfer \$20,838,000 of pool contributions to the
11 treasurer for deposit into the health benefit exchange account in
12 calendar year 2014. Within the amounts provided in this subsection,
13 \$341,000 of the health benefit exchange account--state appropriation
14 and \$688,000 of the general fund--federal appropriation are provided
15 solely for print services and postage for modified adjusted gross
16 income medicaid eligibility correspondence sent from the health benefit
17 exchange.

18 ~~((43))~~ (41) Within the amounts appropriated in this section, the
19 authority shall continue to provide coverage after December 31, 2013,
20 for pregnant teens that qualify under existing pregnancy medical
21 programs, but whose eligibility for pregnancy related services would
22 otherwise end due to the application of the new modified adjusted gross
23 income eligibility standard.

24 ~~((44) Upon implementation of the medicaid expansion under~~
25 ~~subsection (1) of this section, the breast and cervical cancer~~
26 ~~treatment program is eliminated. To maintain continuity of coverage,~~
27 ~~the authority shall offer the option to stay in a fee for service~~
28 ~~program to clients that are already enrolled in the breast and cervical~~
29 ~~cancer treatment program and will be transitioned into the new adult~~
30 ~~group upon implementation of the medicaid expansion. The authority~~
31 ~~will continue to provide coverage to clients that are already enrolled~~
32 ~~in the breast and cervical cancer treatment program at the time of~~
33 ~~program elimination until their courses of treatment are completed.~~

34 ~~(45))~~ (42) \$40,000 of the general fund--state appropriation for
35 fiscal year 2014 and \$40,000 of the general fund--federal appropriation
36 are provided solely for the authority to create a new position to
37 provide adequate oversight and assistance to managed care
38 organizations, rural health clinics, and federally qualified health

1 centers under a new administratively streamlined payment methodology.
2 Effective July 1, 2013, or upon obtaining any necessary federal
3 approval, but in no case during the first quarter of a calendar year,
4 the authority shall implement an administratively streamlined payment
5 methodology for federally qualified health centers and rural health
6 clinics. The authority's payments to managed care organizations shall
7 include the full encounter payment comprised of both the standard and
8 enhancement payments for federally qualified health centers and rural
9 health clinics as defined in the medicaid state plan and in accordance
10 with section 1902(bb) of the social security act (42 U.S.C. 1396a(bb)).
11 At no time will a managed care organization be at risk for or have any
12 claim to the supplemental payment portion of the rate which will be
13 reconciled to ensure accurate payment and full pass through of the
14 obligated funds. For any services eligible for encounter payments, as
15 defined in the medicaid state plan, managed care organizations shall be
16 required to pay at least the full published encounter rates directly to
17 each clinic or center, and payments will be reconciled on at least an
18 annual basis between the managed care organization and the authority,
19 with final review and approval by the authority. At the option of any
20 clinic, the enhancement payment can be received from the managed care
21 organization on a per member per month basis for all assigned managed
22 care enrollees in an amount prescribed by the authority. Nothing in
23 this section is intended to disrupt mutually agreeable contractual
24 arrangements between managed care organizations and clinics that impact
25 how the standard payment for services is paid. The authority will
26 require participating managed care organizations to reimburse federally
27 qualified health centers and rural health clinics for clean claims in
28 strict adherence to the timeliness of payment standards established
29 under contract and specified for the medicaid fee-for-service program
30 in section 1902(a)(37) of the social security act (42 U.S.C.
31 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and specified for health carriers
32 in WAC 284-43-321. The authority shall exercise all necessary options
33 under its existing sanctions policy to enforce timely payment of
34 claims. The authority shall ensure necessary staff and resources are
35 identified to actively monitor and enforce the timeliness and accuracy
36 of payments to federally qualified health centers and rural health
37 clinics. By January 1, 2014, and after collaboration with federally
38 qualified health centers, rural health clinics, managed care plans, and

1 the centers for medicare and medicaid services, the authority will
2 produce a report that provides options for a new payment methodology
3 that rewards innovation and outcomes over volume of services delivered,
4 and which maintains the integrity of the rural health clinic and
5 federally qualified health center programs as outlined under federal
6 law. The report will detail necessary federal authority for
7 implementation and provide the benefits and drawbacks of each option.

8 ~~((46))~~ (43) \$3,605,000 of the general fund--state appropriation
9 for fiscal year 2014 is provided solely to proportionally reduce the
10 amounts that rural health clinics owe the state under the calendar year
11 2009 recoupment.

12 ~~((47))~~ (44) Sufficient amounts are appropriated in this section
13 to remove the mental health visit limit and to provide the shingles
14 vaccine and screening, brief intervention, and referral to treatment
15 benefits that are available in the medicaid alternative benefit plan in
16 the current medicaid benefit plan beginning January 1, 2014. The
17 authority shall monitor the costs of the habilitative benefit as part
18 of the forecasting process but shall not provide this benefit in the
19 current medicaid benefit plan without a direct appropriation in the
20 omnibus appropriations act.

21 ~~((48))~~ (45) The appropriations in this section reflect savings
22 and efficiencies achieved by modifying dispensing methods of
23 contraceptive drugs. The authority must make arrangements for all
24 medicaid programs offered through managed care plans or fee-for-service
25 programs to require dispensing of contraceptive drugs with a one-year
26 supply provided at one time unless a patient requests a smaller supply
27 or the prescribing physician instructs that the patient must receive a
28 smaller supply. Contracts with managed care plans must allow on-site
29 dispensing of the prescribed contraceptive drugs at family planning
30 clinics. Dispensing practices must follow clinical guidelines for
31 appropriate prescribing and dispensing to ensure the health of the
32 patient while maximizing access to effective contraceptive drugs.

33 ~~((49))~~ (46)(a) \$75,000 of the general fund--state appropriation
34 for fiscal year 2014 and \$75,000 of the general fund--federal
35 appropriation are provided solely for preparing options with an expert
36 consultant for possible implementation of a targeted premium assistance
37 program and possible implementation of the federal basic health option.
38 \$75,000 of the amounts appropriated in this subsection is provided

1 solely for the development of options related to the targeted premium
2 assistance program. The authority shall develop options for a waiver
3 request to the federal centers for medicare and medicaid services to
4 implement a targeted premium assistance program for the expansion
5 adults, identified in section 1902(a)(10)(A)(i)(VIII) of the social
6 security act, with incomes above one hundred percent of the federal
7 poverty level, and for children covered in the children's health
8 insurance program with incomes above two hundred percent of the federal
9 poverty level, with a goal of providing seamless coverage through the
10 health benefit exchange and improving opportunities for families to be
11 covered in the same health plans. The options must include the
12 possibility of applying premiums for individuals and cost-sharing that
13 may exceed the five percent of family income cap under federal law, and
14 the options must include recommendations to make the targeted premium
15 assistance program cost neutral. The authority shall submit a report
16 on the options to the legislature and the governor by January 1, 2014.
17 The authority is encouraged to be creative, use subject matter experts,
18 and exhaust all possible options to achieve cost neutrality. The
19 report shall also include a detailed plan and timeline. \$75,000 of the
20 amounts appropriated in this subsection is provided solely for the
21 development of options related to the federal basic health option. The
22 authority shall prepare options for implementing the federal basic
23 health option as federal guidance becomes available. The authority
24 shall submit a report on the options to the legislature and the
25 governor by January 1, 2014, or ninety days following the release of
26 federal guidance. The report must include a comparison of the premiums
27 and cost-sharing under the federal basic health option with the premium
28 assistance options described in this subsection, options for
29 implementing the federal basic health option in combination with a
30 premium assistance program, a detailed fiscal analysis for each
31 coverage approach, including the estimated costs for system design and
32 implementation, and information about impacted populations.

33 (b) Where possible, the authority shall leverage the same expert
34 consultants to review each proposal and compare and contrast the
35 approaches to ensure seamless coordination with the health benefit
36 exchange.

37 (c) The authority shall collaborate with the joint select committee
38 on health care oversight in the development of these options.

1 (47) Moneys appropriated in this section shall not be used to pay
2 hospital owned physician practices or clinics a higher payment rate
3 than the maximum resource based relative value scale fee rate received
4 by non-hospital owned physician practices or clinics for the same
5 procedure.

6 (48) \$390,000 of the general fund--state appropriation for fiscal
7 year 2015 and \$3,510,000 of the general fund--federal appropriation are
8 provided solely for medicaid clients to select the medicaid managed
9 care organization of their choice within the Washington
10 healthplanfinder online marketplace.

11 (49) Within the amounts provided in this section, the authority
12 shall exercise the state option and open the medicaid breast and
13 cervical cancer treatment program.

14 (50) Within the amounts provided in this section, the authority
15 shall increase the use of value based contracting and other payment
16 incentives that promote quality, efficiency, cost savings, and health
17 improvement. The authority shall also implement additional chronic
18 disease management techniques that reduce the subsequent need for
19 hospitalization or readmissions. It is the intent of the legislature
20 that the reforms the authority implements under this subsection are
21 anticipated to reduce extraneous medical costs when fully phased in by
22 fiscal year 2017 and as a result achieve a twenty-five million dollar
23 general fund--state savings in the 2015-2017 fiscal biennium.

24 (51) \$200,000 of the general fund--state appropriation for fiscal
25 year 2015 is provided solely for a grant to the Yakima valley hearing
26 and speech center to serve low-income children.

27 (52) Within the amounts appropriated in this section, the authority
28 must conduct an actuarial analysis of the differences in claim costs
29 and utilization of services by enrollees in consumer-directed health
30 plans offered by the public employees benefits board program as
31 compared to the claim costs and utilization of services by enrollees in
32 other state employee health plans. The analysis shall separately
33 identify the level of savings attributable to the benefit design and
34 cost-sharing of the consumer-directed health plans versus savings
35 attributable to differences in the health status of plan enrollees.

36 **Sec. 214.** 2013 2nd sp.s. c 4 s 214 (uncodified) is amended to read
37 as follows:

1	FOR THE HUMAN RIGHTS COMMISSION	
2	General Fund--State Appropriation (FY 2014)	((\$2,077,000))
3		<u>\$2,080,000</u>
4	General Fund--State Appropriation (FY 2015)	((\$1,996,000))
5		<u>\$2,028,000</u>
6	General Fund--Federal Appropriation	\$2,185,000
7	TOTAL APPROPRIATION	((\$6,258,000))
8		<u>\$6,293,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations: \$218,000 of the general fund--federal
11 appropriation is provided for additional financial resources from the
12 U.S. department of housing and urban development for the investigation
13 of discrimination cases involving service animals.

14 **Sec. 215.** 2013 2nd sp.s. c 4 s 215 (uncodified) is amended to read
15 as follows:

16	FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS	
17	Worker and Community Right-to-Know Account--State	
18	Appropriation	\$10,000
19	Accident Account--State Appropriation	((\$19,763,000))
20		<u>\$19,775,000</u>
21	Medical Aid Account--State Appropriation	((\$19,763,000))
22		<u>\$19,775,000</u>
23	TOTAL APPROPRIATION	((\$39,536,000))
24		<u>\$39,560,000</u>

25 **Sec. 216.** 2013 2nd sp.s. c 4 s 216 (uncodified) is amended to read
26 as follows:

27	FOR THE CRIMINAL JUSTICE TRAINING COMMISSION	
28	General Fund--State Appropriation (FY 2014)	((\$14,257,000))
29		<u>\$14,522,000</u>
30	General Fund--State Appropriation (FY 2015)	((\$14,159,000))
31		<u>\$14,859,000</u>
32	General Fund--Private/Local Appropriation	((\$3,059,000))
33		<u>\$4,351,000</u>
34	Death Investigations Account--State Appropriation	\$148,000
35	Municipal Criminal Justice Assistance Account--	
36	State Appropriation	\$460,000

1 Washington Auto Theft Prevention Authority Account--
2 State Appropriation \$8,597,000
3 TOTAL APPROPRIATION ((~~\$40,680,000~~))
4 \$42,937,000

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

7 (1) \$5,000,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$5,000,000 of the general fund--state appropriation for
9 fiscal year 2015, are provided to the Washington association of
10 sheriffs and police chiefs solely to verify the address and residency
11 of registered sex offenders and kidnapping offenders under RCW
12 9A.44.130.

13 (2) \$340,000 of the general fund--local appropriation is provided
14 solely to purchase ammunition for the basic law enforcement academy.
15 Jurisdictions shall reimburse to the criminal justice training
16 commission the costs of ammunition, based on the average cost of
17 ammunition per cadet, for cadets that they enroll in the basic law
18 enforcement academy.

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

21 (4) \$100,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$100,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for a school safety program. The
24 commission, in collaboration with the school safety center advisory
25 committee, shall provide the school safety training for all school
26 administrators and school safety personnel hired after the effective
27 date of this section.

28 (5) \$96,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$96,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for the school safety center
31 within the commission. The safety center shall act as an information
32 dissemination and resource center when an incident occurs in a school
33 district in Washington or in another state, coordinate activities
34 relating to school safety, and review and approve manuals and curricula
35 used for school safety models and training. Through an interagency
36 agreement, the commission shall provide funding for the office of the
37 superintendent of public instruction to continue to develop and
38 maintain a school safety information web site. The school safety

1 center advisory committee shall develop and revise the training
2 program, using the best practices in school safety, for all school
3 safety personnel. The commission shall provide research-related
4 programs in school safety and security issues beneficial to both law
5 enforcement and schools.

6 (6) \$123,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$123,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for the costs of providing
9 statewide advanced driving training with the use of a driving
10 simulator.

11 (7) \$165,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$165,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for crisis intervention training
14 for peace officers. The commission shall incorporate eight hours of
15 crisis intervention curriculum into its basic law enforcement academy
16 and shall offer an eight-hour in-service crisis intervention training
17 course.

18 (8) \$500,000 of the general fund--state appropriation for fiscal
19 year 2015 is provided solely for the Washington association of sheriffs
20 and police chiefs to implement and operate an ongoing electronic
21 statewide no-buy database program for use by scrap metal businesses,
22 consistent with chapter 43.43 RCW.

23 (9) \$70,000 of the general fund--state appropriation for fiscal
24 year 2015 is provided solely for the commission to design and initiate,
25 in partnership with Seattle university criminal justice department, the
26 first year of a five-year study to research the effectiveness of its
27 crisis intervention training. By November 1, 2014, the commission
28 shall provide a report to the office of financial management and the
29 appropriate fiscal and policy committees of the legislature that sets
30 forth the proposed benchmarks and outcomes to be evaluated by the
31 study. The commission shall provide an annual report of its evaluation
32 to date by June 30th of each fiscal year during the study.

33 (10) \$300,000 of the general fund--state appropriation for fiscal
34 year 2015 is provided solely to the commission to provide drug
35 enforcement and prosecution assistance to counties in the three
36 enforcement areas identified in chapter 339, Laws of 2006. Funding
37 shall be divided equally among the three enforcement areas and shall be
38 used to supplement other fund sources such as federal grant funds for

1 drug intervention and enforcement efforts. These enforcement areas are
 2 encouraged to continue pursuing funds available through the United
 3 States office of national drug control policy. The counties comprising
 4 a specific area must coordinate with each other to establish and
 5 implement a regional strategy to enforce illegal drug laws. The
 6 commission must allocate the funds to the Washington association of
 7 prosecuting attorneys and the Washington association of sheriffs and
 8 police chiefs for administration. The Washington association of
 9 prosecuting attorneys is responsible for administration of the funding
 10 and programs for the prosecution of crimes and court proceedings. The
 11 Washington association of sheriffs and police chiefs is responsible for
 12 administering the funds provided for law enforcement.

13 **Sec. 217.** 2013 2nd sp.s. c 4 s 217 (uncodified) is amended to read
 14 as follows:

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

16	General Fund--State Appropriation (FY 2014)	((\$17,158,000))
17		<u>\$17,216,000</u>
18	General Fund--State Appropriation (FY 2015)	((\$17,733,000))
19		<u>\$17,790,000</u>
20	General Fund--Federal Appropriation	\$11,876,000
21	Asbestos Account--State Appropriation	\$366,000
22	Electrical License Account--State Appropriation	((\$37,124,000))
23		<u>\$40,253,000</u>
24	Farm Labor Contractor Account--State Appropriation	\$28,000
25	Worker and Community Right-to-Know Account--	
26	State Appropriation	\$903,000
27	Public Works Administration Account--State	
28	Appropriation	((\$6,252,000))
29		<u>\$7,230,000</u>
30	Manufactured Home Installation Training Account--	
31	State Appropriation	\$353,000
32	Accident Account--State Appropriation	((\$258,440,000))
33		<u>\$260,382,000</u>
34	Accident Account--Federal Appropriation	\$13,626,000
35	Medical Aid Account--State Appropriation	((\$278,697,000))
36		<u>\$280,441,000</u>
37	Medical Aid Account--Federal Appropriation	\$3,186,000

1	Plumbing Certificate Account--State Appropriation . . .	((\$1,732,000))
2		<u>\$1,746,000</u>
3	Pressure Systems Safety Account--State	
4	Appropriation	\$4,193,000
5	TOTAL APPROPRIATION	((\$651,667,000))
6		<u>\$659,589,000</u>

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

9 (1) Pursuant to RCW 43.135.055, the department is authorized to
10 increase elevator fees by up to 13.1 percent during the 2013-2015
11 fiscal biennium. This increase is necessary to support expenditures
12 authorized in this section, consistent with chapter 70.87 RCW.

13 (2) \$1,336,000 of the medical aid account--state appropriation is
14 provided solely for implementation of Substitute Senate Bill No. 5362
15 (workers' compensation/vocational rehabilitation). If the bill is not
16 enacted by June 30, 2013, the amount provided in this subsection shall
17 lapse.

18 (3) \$279,000 of the public works administration account--state
19 appropriation, \$4,000 of the medical aid account--state appropriation,
20 and \$4,000 of the accident account--state appropriation are provided
21 solely for implementation of Substitute House Bill No. 1420
22 (transportation improvement projects). If the bill is not enacted by
23 June 30, 2013, the amounts provided in this subsection shall lapse.

24 (4) \$104,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$104,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely to implement Substitute Senate
27 Bill No. 5123 (farm internships). If the bill is not enacted by June
28 30, 2013, the amount provided in this subsection shall lapse.

29 ((+6)) (5) \$210,000 of the medical aid account--state
30 appropriation and \$630,000 of the accident account--state appropriation
31 are provided solely for the contract costs and one staff position at
32 the department for the purpose of implementing the logging safety
33 initiative in an effort to reduce the frequency and severity of
34 injuries in manual, or nonmechanized, logging. The department shall
35 reduce \$840,000 of workers compensation funding used for the safety and
36 health investment project to maintain cost neutrality. Additional
37 costs for the implementation of the logging safety initiative shall be
38 accomplished by the department within existing resources to include the

1 assignment of two full-time auditors specifically for this purpose.
2 The department is directed to include \$420,000 of these costs in its
3 calculation of workers' compensation premiums for the forest products
4 industry for 2014, 2015, and 2016 rates. The department shall report
5 to the legislature by December 31, 2014, an approach for using a third
6 party safety certification vendor, accomplishments of the taskforce,
7 accomplishments on this effort to-date, and future plans. The report
8 must identify options for future funding and make recommendations for
9 permanent funding for this program.

10 (6) \$1,459,000 of the medical aid account--state appropriation and
11 \$1,459,000 of the accident account--state appropriation are provided
12 solely for implementation of Senate Bill No. 5112 (retrospective rating
13 plan). If the bill is not enacted by June 30, 2014, the amounts
14 provided in this subsection shall lapse.

15 (7) \$130,000 of the medical aid account--state appropriation and
16 \$132,000 of the accident account--state appropriation are provided
17 solely for implementation of Substitute Senate Bill No. 5360 (unpaid
18 wage collection). If the bill is not enacted by June 30, 2014, the
19 amounts provided in this subsection shall lapse.

20 (8) \$32,000 of the medical aid account--state appropriation and
21 \$176,000 of the accident account--state appropriation are provided
22 solely for implementation of Substitute Senate Bill No. 5123 (farm
23 internship program). If the bill is not enacted by June 30, 2014, the
24 amounts provided in this subsection shall lapse.

25 **Sec. 218.** 2013 2nd sp.s. c 4 s 218 (uncodified) is amended to read
26 as follows:

27 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

28 (1) HEADQUARTERS

29 General Fund--State Appropriation (FY 2014)	(((\$1,996,000)))
	<u>\$1,995,000</u>
31 General Fund--State Appropriation (FY 2015)	(((\$1,900,000)))
	<u>\$1,899,000</u>
33 Charitable, Educational, Penal, and Reformatory	
34 Institutions Account--State Appropriation	\$10,000
35 TOTAL APPROPRIATION	(((\$3,906,000)))
	<u>\$3,904,000</u>

37 (2) FIELD SERVICES

1	General Fund--State Appropriation (FY 2014)	(\$5,340,000)
2		\$5,337,000
3	General Fund--State Appropriation (FY 2015)	(\$5,316,000)
4		\$5,311,000
5	General Fund--Federal Appropriation	\$3,455,000
6	General Fund--Private/Local Appropriation	(\$4,418,000)
7		\$4,541,000
8	<u>Veterans Innovations Program Account--State</u>	
9	<u>Appropriation</u>	\$104,000
10	Veteran Estate Management Account--Private/Local	
11	Appropriation	\$1,104,000
12	TOTAL APPROPRIATION	(\$19,633,000)
13		\$19,852,000

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

16 (a) \$300,000 of the general fund--state appropriation for fiscal
17 year 2014 ((and)), \$300,000 of the general fund--state appropriation
18 for fiscal year 2015, and \$104,000 of the veterans innovations program
19 account--state appropriation are provided solely ((to provide)) for
20 crisis and emergency relief and education, training, and employment
21 assistance to veterans and their families in their communities through
22 the veterans innovation program.

23 (b) The department shall continue its work on developing a proposal
24 and securing federal and local support for a joint pilot program with
25 the U.S. department of defense that would increase data sharing between
26 the federal transition assistance program, the state, and local
27 agencies serving the communities that service members are transitioning
28 back into when they return from deployment. The department shall
29 prepare a detailed proposal for the 2015 legislative session that
30 includes, but is not limited to:

31 (i) The forecasted incremental increase in demand for veteran's
32 services in the state over time;

33 (ii) Some initial detail on the number and type of local agencies
34 that will be considered in the feasibility study;

35 (iii) Detail on the current information technology capability
36 within the department and among its partners;

37 (iv) A scope of work describing what the feasibility study is

1 expected to cover, to include proposed capabilities for the end
2 solution; and

3 (v) Options for how this data integration would be paid for both
4 long term and short term, including, but not limited to, potential
5 partnering with the U.S. department of defense or other entities.

6 (3) INSTITUTIONAL SERVICES

7	General Fund--State Appropriation (FY 2014)	(((\$102,000))
8		<u>\$101,000</u>
9	General Fund--State Appropriation (FY 2015)	(((\$20,000))
10		<u>\$17,000</u>
11	General Fund--Federal Appropriation	(((\$68,981,000))
12		<u>\$69,332,000</u>
13	General Fund--Private/Local Appropriation	(((\$39,355,000))
14		<u>\$25,403,000</u>
15	TOTAL APPROPRIATION	(((\$108,458,000))
16		<u>\$94,853,000</u>

17 **Sec. 219.** 2013 2nd sp.s. c 4 s 219 (uncodified) is amended to read
18 as follows:

19 **FOR THE DEPARTMENT OF HEALTH**

20	General Fund--State Appropriation (FY 2014)	(((\$60,230,000))
21		<u>\$59,865,000</u>
22	General Fund--State Appropriation (FY 2015)	(((\$59,198,000))
23		<u>\$62,257,000</u>
24	General Fund--Federal Appropriation	(((\$536,074,000))
25		<u>\$535,553,000</u>
26	General Fund--Private/Local Appropriation	(((\$139,455,000))
27		<u>\$139,260,000</u>
28	Hospital Data Collection Account--State Appropriation	\$222,000
29	Health Professions Account--State Appropriation	(((\$104,722,000))
30		<u>\$105,292,000</u>
31	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
32	Emergency Medical Services and Trauma Care Systems	
33	Trust Account--State Appropriation	(((\$12,319,000))
34		<u>\$11,198,000</u>
35	Safe Drinking Water Account--State Appropriation	(((\$5,267,000))
36		<u>\$5,255,000</u>
37	Drinking Water Assistance Account--Federal	

1	Appropriation	((\$14,806,000))
2		<u>\$14,745,000</u>
3	Waterworks Operator Certification--State	
4	Appropriation	\$1,560,000
5	Drinking Water Assistance Administrative Account--	
6	State Appropriation	\$339,000
7	Site Closure Account--State Appropriation	\$159,000
8	Biotoxin Account--State Appropriation	\$1,323,000
9	State Toxics Control Account--State Appropriation	((\$3,949,000))
10		<u>\$3,935,000</u>
11	Medical Test Site Licensure Account--State	
12	Appropriation	((\$4,737,000))
13		<u>\$4,730,000</u>
14	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
15	<u>Dedicated Marijuana Account--State Appropriation</u>	<u>\$1,000,000</u>
16	Public Health Supplemental Account--Private/Local	
17	Appropriation	\$3,236,000
18	Accident Account--State Appropriation	\$304,000
19	Medical Aid Account--State Appropriation	\$50,000
20	Medicaid Fraud Penalty Account--State	
21	Appropriation	\$987,000
22	TOTAL APPROPRIATION	((\$951,053,000))
23		<u>\$953,386,000</u>

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

26 (1)(a) The department of health shall not initiate any services
27 that will require expenditure of state general fund moneys unless
28 expressly authorized in this act or other law. The department of
29 health and the state board of health shall not implement any new or
30 amended rules pertaining to primary and secondary school facilities
31 until the rules and a final cost estimate have been presented to the
32 legislature, and the legislature has formally funded implementation of
33 the rules through the omnibus appropriations act or by statute. The
34 department may seek, receive, and spend, under RCW 43.79.260 through
35 43.79.282, federal moneys not anticipated in this act as long as the
36 federal funding does not require expenditure of state moneys for the
37 program in excess of amounts anticipated in this act. If the
38 department receives unanticipated unrestricted federal moneys, those

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

10 (b) The joint administrative rules review committee shall review
11 the new or amended rules pertaining to primary and secondary school
12 facilities under (a) of this subsection. The review committee shall
13 determine whether (i) the rules are within the intent of the
14 legislature as expressed by the statute that the rule implements, (ii)
15 the rule has been adopted in accordance with all applicable provisions
16 of law, or (iii) that the agency is using a policy or interpretive
17 statement in place of a rule. The rules review committee shall report
18 to the appropriate policy and fiscal committees of the legislature the
19 results of committee's review and any recommendations that the
20 committee deems advisable.

21 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
22 is authorized to establish and raise fees in fiscal year 2014 as
23 necessary to meet the actual costs of conducting business and the
24 appropriation levels in this section. This authorization applies to
25 fees required for newborn screening, and fees associated with the
26 following professions: Agency affiliated counselors; certified
27 counselors; and certified advisors.

28 (3) \$150,000 of the state toxics control account--state
29 appropriation is provided solely to provide water filtration systems
30 for low-income households with individuals at high public health risk
31 from nitrate-contaminated wells in the lower Yakima basin.

32 (4)(a) \$64,000 of the medicaid fraud penalty account--state
33 appropriation is provided solely for the department to integrate the
34 prescription monitoring program into the coordinated care electronic
35 tracking program developed in response to section 213, chapter 7, Laws
36 of 2012, 2nd sp. sess., commonly referred to as the seven best
37 practices in emergency medicine.

1 (b) The integration must provide prescription monitoring program
2 data to emergency department personnel when the patient registers in
3 the emergency department. Such exchange may be a private or public
4 joint venture, including the use of the state health information
5 exchange.

6 (c) As part of the integration, the department shall request
7 insurers and third-party administrators that provide coverage to
8 residents of Washington state to provide the following to the
9 coordinated care electronic tracking program:

10 (i) Any available information regarding the assigned primary care
11 provider, and the primary care provider's telephone and fax numbers.
12 This information is to be used for real-time communication to an
13 emergency department provider when caring for a patient; and

14 (ii) Information regarding any available care plans or treatment
15 plans for patients with higher utilization of services on a regular
16 basis. This information is to be provided to the treating provider.

17 (5) (~~(\$270,000)~~) \$180,000 of the general fund--state appropriation
18 for fiscal year 2014 (~~(is)~~) and \$150,000 of the general fund--state
19 appropriation for fiscal year 2015 are provided solely for the
20 Washington autism alliance to assist autistic individuals and families
21 with autistic children during the transition to federal health reform.

22 (6) \$6,000 of the general fund--state appropriation for fiscal year
23 2014 and \$5,000 of the general fund--state appropriation for fiscal
24 year 2015 are provided solely for the department to convene a work
25 group to study and recommend language for standardized clinical
26 affiliation agreements for clinical placements associated with the
27 education and training of physicians licensed under chapter 18.71 RCW,
28 osteopathic physicians and surgeons licensed under chapter 18.57 RCW,
29 and nurses licensed under chapter 18.79 RCW. The work group shall
30 develop one recommended standardized clinical affiliation agreement for
31 each profession or one recommended standardized clinical affiliation
32 agreement for all three professions.

33 (a) When choosing members of the work group, the department shall
34 consult with the health care personnel shortage task force and shall
35 attempt to ensure that the membership of the work group is
36 geographically diverse. The work group must, at a minimum, include
37 representatives of the following:

38 (i) Two-year institutions of higher education;

1 (ii) Four-year institutions of higher education;
2 (iii) The University of Washington medical school;
3 (iv) The college of osteopathic medicine at the Pacific Northwest
4 University of Health Sciences;
5 (v) The health care personnel shortage task force;
6 (vi) Statewide organizations representing hospitals and other
7 facilities that accept clinical placements;
8 (vii) A statewide organization representing physicians;
9 (viii) A statewide organization representing osteopathic physicians
10 and surgeons;
11 (ix) A statewide organization representing nurses;
12 (x) A labor organization representing nurses; and
13 (xi) Any other groups deemed appropriate by the department in
14 consultation with the health care personnel shortage task force.
15 (b) The work group shall report its findings to the governor and
16 the appropriate standing committees of the legislature no later than
17 November 15, 2014.
18 (7) \$65,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$65,000 of the general fund--state appropriation for
20 fiscal year 2015 are for the midwifery licensure and regulatory program
21 to supplement revenue from fees. The department shall charge no more
22 than five hundred twenty-five dollars annually for new or renewed
23 licenses for the midwifery program.
24 (8) During the 2013-2015 fiscal biennium, each person subject to
25 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
26 twenty-five dollars annually for the purposes of RCW 43.70.112,
27 regardless of how many professional licenses the person holds.
28 (9) \$654,000 of the health professions account--state appropriation
29 is provided solely for the implementation of Engrossed Senate Bill No.
30 5206 (health sciences library). If the bill is not enacted by June 30,
31 2013, the amount provided in this subsection shall lapse.
32 (10) \$35,000 of the health professions account--state appropriation
33 is provided solely for the implementation of House Bill No. 1003
34 (health professions licensees). If the bill is not enacted by June 30,
35 2013, the amount provided in this subsection shall lapse.
36 (11) \$10,000 of the health professions account--state appropriation
37 is provided solely for the implementation of Substitute House Bill No.

1 1270 (board of denturists). If the bill is not enacted by June 30,
2 2013, the amount provided in this subsection shall lapse.

3 (12) \$10,000 of the health professions account--state appropriation
4 is provided solely for the implementation of Substitute House Bill No.
5 1271 (denturism). If the bill is not enacted by June 30, 2013, the
6 amount provided in this subsection shall lapse.

7 (13) \$11,000 of the health professions account--state appropriation
8 is provided solely for the implementation of House Bill No. 1330
9 (dental hygienists, assistants). If the bill is not enacted by June
10 30, 2013, the amount provided in this subsection shall lapse.

11 (14) \$1,008,000 of the health professions account--state
12 appropriation is provided solely for the implementation of Substitute
13 House Bill No. 1343 (nurses surcharge). If the bill is not enacted by
14 June 30, 2013, the amount provided in this subsection shall lapse.

15 (15) \$34,000 of the health professions account--state appropriation
16 is provided solely for the implementation of Substitute House Bill No.
17 1376 (suicide assessment training). If the bill is not enacted by June
18 30, 2013, the amount provided in this subsection shall lapse.

19 (16) \$10,000 of the health professions account--state appropriation
20 is provided solely for the implementation of Engrossed Substitute House
21 Bill No. 1515 (medical assistants). If the bill is not enacted by June
22 30, 2013, the amount provided in this subsection shall lapse.

23 (17) \$2,185,000 of the health professions account--state
24 appropriation is provided solely for the implementation of Second
25 Substitute House Bill No. 1518 (disciplinary authorities). If the bill
26 is not enacted by June 30, 2013, the amount provided in this subsection
27 shall lapse.

28 (18) \$141,000 of the general fund--private/local appropriation is
29 provided solely for the implementation of Substitute House Bill No.
30 1525 (birth certificates). If the bill is not enacted by June 30,
31 2013, the amount provided in this subsection shall lapse.

32 (19) \$220,000 of the health professions account--state
33 appropriation is provided solely for the implementation of House Bill
34 No. 1534 (impaired dentist program). If the bill is not enacted by
35 June 30, 2013, the amount provided in this subsection shall lapse.

36 (20) \$51,000 of the health professions account--state appropriation
37 is provided solely for the implementation of House Bill No. 1609 (board

1 of pharmacy). If the bill is not enacted by June 30, 2013, the amount
2 provided in this subsection shall lapse.

3 (21) \$12,000 of the health professions account--state appropriation
4 is provided solely for the implementation of Substitute House Bill No.
5 1629 (home care aide continuing education). If the bill is not enacted
6 by June 30, 2013, the amount provided in this subsection shall lapse.

7 (22) \$18,000 of the health professions account--state appropriation
8 is provided solely for the implementation of Substitute House Bill No.
9 1737 (physician assistants). If the bill is not enacted by June 30,
10 2013, the amount provided in this subsection shall lapse.

11 (23) \$77,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$38,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely to develop a report on state
14 efforts to prevent and control diabetes. The department, the health
15 care authority, and the department of social and health services shall
16 submit a coordinated report to the governor and the appropriate
17 committees of the legislature by December 31, 2014, on the following:

18 (a) The financial impacts and reach that diabetes of all types and
19 undiagnosed gestational diabetes are having on the programs
20 administered by each agency and individuals, including children with
21 mothers with undiagnosed gestational diabetes, enrolled in those
22 programs. Items in this assessment must include: (i) The number of
23 lives with diabetes and undiagnosed gestational diabetes impacted or
24 covered by the programs administered by each agency; (ii) the number of
25 lives with diabetes, or at risk for diabetes, and family members
26 impacted by prevention and diabetes control programs implemented by
27 each agency; (iii) the financial toll or impact diabetes and its
28 complications, and undiagnosed gestational diabetes and the
29 complications experienced during labor to children of mothers with
30 gestational diabetes places on these programs in comparison to other
31 chronic diseases and conditions; and (iv) the financial toll or impact
32 diabetes and its complications, and diagnosed gestational diabetes and
33 the complications experienced during labor to children of mothers with
34 gestational diabetes places on these programs;

35 (b) An assessment of the benefits of implemented and existing
36 programs and activities aimed at controlling all types of diabetes and
37 preventing the disease. This assessment must also document the amount

1 and source for any funding directed to each agency for the programs and
2 activities aimed at reaching those with diabetes of all types;

3 (c) A description of the level of coordination existing between the
4 agencies on activities, programmatic activities, and messaging on
5 managing, treating, or preventing all types of diabetes and its
6 complications;

7 (d) The development or revision of detailed policy-related action
8 plans and budget recommendations for battling diabetes and undiagnosed
9 gestational diabetes that includes a range of actionable items for
10 consideration by the legislature. The plans and budget recommendations
11 must identify proposed action steps to reduce the impact of diabetes,
12 prediabetes, related diabetes complications, and undiagnosed
13 gestational diabetes. The plans and budget recommendations must also
14 identify expected outcomes of the action steps proposed in the
15 following biennium while also establishing benchmarks for controlling
16 and preventing all types of diabetes; and

17 (e) An estimate of savings, efficiencies, costs, and budgetary
18 savings and resources required to implement the plans and budget
19 recommendations identified in (d) of this subsection (23).

20 (24) Within the general fund--state amounts appropriated in this
21 section, the department of health will develop and administer the
22 certified home care aide examination translated into at least seven
23 languages in addition to the languages in which the examination is
24 available on the effective date of this act. The purpose of offering
25 the examination in additional languages is to encourage an adequate
26 supply of certified home care aides to meet diverse long-term care
27 client needs.

28 (25) Moneys appropriated in this section are sufficient to maintain
29 and operate the marine biotoxin information hotline and the department
30 shall not suspend or reduce its operation.

31 (26) \$1,000,000 of the general fund--state appropriation for fiscal
32 year 2015 and \$1,000,000 of the dedicated marijuana account--state
33 appropriation are provided solely for tobacco, marijuana, and e-
34 cigarette prevention activities that serve youth and populations with
35 a high incidence of smoking. For activities that serve youth, the
36 department must partner with the office of the superintendent of public
37 instruction to fund effective tobacco, marijuana, and e-cigarette
38 prevention programs at middle and high schools. For activities that

1 serve populations with a high incidence of smoking, the department must
2 contract with community based organizations that serve populations that
3 have a high incidence of smoking tobacco, marijuana, or e-cigarettes.
4 The legislature intends to fund tobacco, marijuana, and e-cigarette
5 prevention programs in future biennia based on the Washington state
6 institute for public policy report in section 609 of this act. The
7 department shall work with the institute and shall develop a budget
8 request for the 2015-2017 fiscal biennium based on the institute's
9 report.

10 (27) \$2,194,000 of the general fund--state appropriation for fiscal
11 year 2015 is provided solely for the implementation of Second
12 Substitute Senate Bill No. 5887 (medical use of cannabis). If the bill
13 is not enacted by June 30, 2014, the amount provided in this subsection
14 shall lapse.

15 **Sec. 220.** 2013 2nd sp.s. c 4 s 220 (uncodified) is amended to read
16 as follows:

17 **FOR THE DEPARTMENT OF CORRECTIONS**

18 (1) ADMINISTRATION AND SUPPORT SERVICES

19 General Fund--State Appropriation (FY 2014)	((\$56,437,000))
	<u>\$56,294,000</u>
21 General Fund--State Appropriation (FY 2015)	((\$54,779,000))
	<u>\$55,161,000</u>
23 Data Processing Revolving Account--State	
24 Appropriation	\$1,249,000
25 TOTAL APPROPRIATION	((\$112,465,000))
	<u>\$112,704,000</u>

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

29 (a) \$35,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$35,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the support of a statewide
32 council on mentally ill offenders that includes as its members
33 representatives of community-based mental health treatment programs,
34 current or former judicial officers, and directors and commanders of
35 city and county jails and state prison facilities. The council will
36 investigate and promote cost-effective approaches to meeting the
37 long-term needs of adults and juveniles with mental disorders who have

1 a history of offending or who are at-risk of offending, including their
2 mental health, physiological, housing, employment, and job training
3 needs.

4 (b) \$150,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$75,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the department to contract
7 with a consultant who can facilitate and provide project expertise on
8 the implementation of community and prison based offender programming
9 that follows the risk-needs-responsivity model.

10 (i) By September 1, 2013, the department shall provide to the
11 consultant an inventory of all existing programming both in prisons and
12 in community operations. The department shall consult with the
13 Washington state institute for public policy (WSIPP) to determine
14 whether programs are evidence-based or research-based using definitions
15 provided by WSIPP and shall include this information on the inventory.

16 (ii) By (~~October 1, 2013~~) March 1, 2014, the consultant shall
17 report to the department, the office of financial management, and
18 legislative fiscal committees on the department's current plans and
19 processes for managing offender programming including processes for
20 phasing-out ineffective programs and implementing evidence-based or
21 research-based programs. All department programs should be considered
22 by the consultant regardless of whether they are included on the most
23 recent list of WSIPP approved identifiable evidence-based practices in
24 (b)(i) of this subsection.

25 (iii) The WSIPP, in consultation with the department, shall
26 systematically review selected programs to determine the effectiveness
27 of these programs at reducing recidivism or other outcomes. The WSIPP
28 shall conduct a benefit-cost analysis of these programs when feasible
29 and shall report to the legislature by December 1, 2013.

30 (iv) Based on the report provided by the consultant and the WSIPP
31 review of programs, the department shall work collaboratively with the
32 consultant to develop and complete a written comprehensive
33 implementation plan by (~~January 15, 2014~~) June 30, 2014. The
34 implementation plan must clearly identify the types of programs to be
35 included, the recommended locations where the programs will be sited,
36 an implementation timeline, and a phasing of the projected number of
37 participants needed to meet the threshold of available program funds.

1 (v) Using the written implementation plan as a guide, the
2 department must have programs in place and fully phased-in no later
3 than (~~June 30, 2015~~) January 1, 2016.

4 (vi) The department shall hold the consultant on retainer to assist
5 the department as needed throughout the implementation process. The
6 consultant shall review quarterly the actual implementation compared to
7 the written implementation plan and shall provide a report to the
8 secretary of the department. The department shall provide reports to
9 the office of financial management and legislative fiscal committees as
10 follows:

11 (A) The written comprehensive implementation plan shall be provided
12 by January 15, 2014; and

13 (B) Written progress updates shall be provided by July 1, 2014, and
14 by December 1, 2014.

15 (c) The appropriations to the department of corrections in this act
16 must be expended for the programs and in the amounts specified in this
17 section. However, after May 1, 2014, after approval by the director of
18 financial management and unless specifically prohibited by this act,
19 the department may transfer general fund--state appropriations for
20 fiscal year 2014 between programs. The department may not transfer
21 funds, and the director of financial management may not approve the
22 transfer, unless the transfer is consistent with the objective of
23 conserving, to the maximum extent possible, the expenditure of state
24 funds. The director of financial management shall notify the
25 appropriate fiscal committees of the senate and house of
26 representatives in writing seven days prior to approving any deviations
27 from appropriation levels. The written notification must include a
28 narrative explanation and justification of the changes, along with
29 expenditures and allotments by budget unit and appropriation, both
30 before and after any allotment modifications or transfers.

31 (2) CORRECTIONAL OPERATIONS

32	General Fund--State Appropriation (FY 2014)	((\$605,039,000))
33		<u>\$593,271,000</u>
34	General Fund--State Appropriation (FY 2015)	((\$604,704,000))
35		<u>\$599,565,000</u>
36	General Fund--Federal Appropriation	((\$3,322,000))
37		<u>\$3,356,000</u>
38	Washington Auto Theft Prevention Authority Account--	

1	State Appropriation	\$7,585,000
2	Environmental Legacy Stewardship Account--State	
3	Appropriation	((\$105,000))
4		<u>\$180,000</u>
5	County Criminal Justice Assistance Account--State	
6	Appropriation	\$390,000
7	TOTAL APPROPRIATION	((\$1,221,145,000))
8		<u>\$1,204,347,000</u>

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

11 (a) During the 2013-2015 fiscal biennium, when contracts are
12 established or renewed for offender pay phone and other telephone
13 services provided to inmates, the department shall select the
14 contractor or contractors primarily based on the following factors:
15 (i) The lowest rate charged to both the inmate and the person paying
16 for the telephone call; and (ii) the lowest commission rates paid to
17 the department, while providing reasonable compensation to cover the
18 costs of the department to provide the telephone services to inmates
19 and provide sufficient revenues for the activities funded from the
20 institutional welfare betterment account.

21 (b) \$501,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$501,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for the department to maintain the
24 facility, property, and assets at the institution formerly known as the
25 maple lane school in Rochester. The department may not house
26 incarcerated offenders at the maple lane site until specifically
27 directed to do so by the legislature.

28 (c) By (~~December 1, 2013~~) April 1, 2014, the department of
29 corrections shall provide a report to the office of financial
30 management and the appropriate fiscal and policy committees of the
31 legislature that evaluates the department's inmate intake processes and
32 expenditures and makes recommendations for improvements. The
33 evaluation must include an analysis of lean management processes that,
34 if adopted, could improve the efficiency and cost effectiveness of
35 inmate intake.

36 (d) By December 1, 2013, the department of corrections shall
37 provide a report to the office of financial management and the
38 appropriate fiscal and policy committees of the legislature that

1 evaluates the department's use of partial confinement and work release
2 programs and makes recommendations for improving public safety and
3 decreasing recidivism through increasing participation in partial
4 confinement re-entry and work release programs. In making its
5 recommendations, the department shall identify:

6 (i) Options for increasing the capacity of work release beds to
7 meet the number of eligible offenders;

8 (ii) Potential cost savings to the state through contracting for or
9 building new work release capacity;

10 (iii) Options for expanding eligibility for partial confinement,
11 including creation of a structured re-entry program that includes
12 stable housing, mandatory participation in evidence-based programs, and
13 intensive supervision; and

14 (iv) Potential cost savings to the state from creation of a
15 structured re-entry program.

16 (e) By December 1, 2013, the department of corrections shall
17 provide a report to the office of financial management and the
18 appropriate fiscal and policy committees of the legislature that
19 evaluates the department's community parenting alternative program, and
20 makes recommendations for increasing participation in the program with
21 the goals of increasing public safety and decreasing recidivism. The
22 evaluation shall include recommendations for increasing the placement
23 of eligible offenders into the program and increasing eligibility to
24 other populations. In making its recommendations, the department shall
25 identify the percent of the eligible population currently entering the
26 program, outcomes to-date for program participants, and potential cost
27 savings from increasing placement of offenders into the program.

28 (f) The department of corrections shall contract with local and
29 tribal governments for the provision of jail capacity to house
30 offenders who violate the terms of their community supervision. A
31 contract shall not have a cost of incarceration in excess of \$85 per
32 day per offender. A contract shall not have a year-to-year increase in
33 excess of three percent per year. The contracts may include rates for
34 the medical care of offenders which exceed the daily cost of
35 incarceration and the limitation on year-to-year increase, provided
36 that medical payments conform to the department's offender health plan,
37 pharmacy formulary, and all off-site medical expenses are preapproved
38 by department utilization management staff.

1 (g)(i) The legislature finds that it has taken several steps to
2 mitigate the demand for prison capacity including funding evidence-
3 based programming for offenders which is proven to reduce recidivism,
4 funding evidence-based treatment alternatives to incarceration for
5 drug-addicted offenders, standardizing inconsistencies in the drug
6 sentencing grid, and authorizing the department to rent local jail
7 beds. These steps will also assist the department's implementation of
8 additional operational efficiencies by reducing costs related to
9 offender intake, processing, and transportation.

10 (ii) Up to \$1,119,000 of the general fund--state appropriation for
11 fiscal year 2014 and up to \$1,322,000 of the general fund--state
12 appropriation for fiscal year 2015 may be used by the department to
13 rent jail capacity for short-term offenders. In contracting for jail
14 beds for short-term offenders, the department shall rent capacity from
15 local and tribal governments to house offenders with an earned release
16 date of less than one hundred twenty days remaining on his or her
17 sentence at the time the offender would otherwise be transferred to a
18 state correctional facility. The contracted daily costs for these
19 offenders shall not exceed \$70 per offender including medical costs.

20 (h) The department of corrections shall issue a competitive
21 solicitation by August 1, 2013, to contract with local jurisdictions
22 for the use of inmate bed capacity in lieu of prison beds operated by
23 the state. The department may contract for up to 300 beds statewide
24 (~~to the extent that it is at no net cost to the department~~) within
25 available funds. The department shall calculate and report the average
26 cost per offender per day, inclusive of all services, on an annual
27 basis for a facility that is representative of average medium or lower
28 offender costs. The duration of the contracts may be for up to four
29 years. The department shall not pay a rate greater than \$65 per day
30 per offender for all costs associated with the offender while in the
31 local correctional facility to include programming and health care
32 costs, or the equivalent of \$65 per day per bed including programming
33 and health care costs for full units. The capacity provided at local
34 correctional facilities must be for offenders whom the department of
35 corrections defines as medium or lower security offenders. Programming
36 provided for inmates held in local jurisdictions is included in the
37 rate, and details regarding the type and amount of programming, and any
38 conditions regarding transferring offenders will be negotiated with the

1 department as part of any contract. Local jurisdictions must provide
2 health care to offenders that meet standards set by the department.
3 The local jail will provide all medical care including unexpected
4 emergent care. The department must utilize a screening process to
5 ensure that offenders with existing extraordinary medical/mental health
6 needs are not transferred to local jail facilities. If extraordinary
7 medical conditions develop for an inmate while at a jail facility the
8 jail may transfer the offender back to the department, subject to terms
9 of the negotiated agreement. Health care costs incurred prior to
10 transfer will be the responsibility of the jail. The department will
11 report to legislative fiscal committees and the office of financial
12 management by November 1, 2013, to provide a status update on
13 implementation.

14 (i) \$816,000 of the general fund--state appropriation for fiscal
15 year 2015 is provided solely for the department to contract with local
16 jurisdictions for the use of female inmate bed capacity in lieu of
17 prison beds operated by the state. The department shall rent jail beds
18 through contracts established under (h) of this subsection to house
19 female offenders beginning no later than July 1, 2014.

20 (j) The department shall continually review its capacity to house
21 male offenders within its state operated prison system. Within
22 available funds, and after all funded units are being fully utilized,
23 the department determines that its male offender population exceeds one
24 hundred two percent of its capacity, including the use of all emergency
25 beds, it shall rent jail beds through contracts established under (h)
26 of this subsection to keep its prison population below one hundred two
27 percent.

28 (k) The department shall convene a work group to develop health
29 care cost containment strategies at local jail facilities. The work
30 group shall identify cost containment strategies in place at the
31 department and at local jail facilities, identify the costs and
32 benefits of implementing strategies in jail health-care facilities, and
33 make recommendations on implementing beneficial strategies. The work
34 group shall submit a report on its findings and recommendations to the
35 fiscal committees of the legislature by October 1, 2013. The work
36 group shall include jail administrators, representatives from health
37 care facilities at the local jail level and the state prisons level,
38 and other representatives as deemed necessary.

1 ~~((j) \$1,026,000))~~ (l) \$526,000 of the general fund--state
2 appropriation for fiscal year 2014 and \$781,000 of the general fund--
3 state appropriation for fiscal year 2015 are provided solely to expand
4 the piloted risk-needs-responsivity model to include the use of
5 cognitive behavioral therapy with evidence-based programming at two
6 minimum security prison facilities and at the Monroe correctional
7 complex.

8 ~~((k) \$23,653,000))~~ (m) \$23,453,000 of the general fund--state
9 appropriation for fiscal year 2014 and \$24,919,000 of the general
10 fund--state appropriation for fiscal year 2015 are provided solely for
11 offender programming. Pursuant to section 220(1) of this act, the
12 department shall develop and implement a written comprehensive plan for
13 offender programming that prioritizes programs which follow the risk-
14 needs-responsivity model, are evidence-based, and have measurable
15 outcomes. The department is authorized to discontinue ineffective
16 programs and to repurpose underspent funds according to the priorities
17 in the written plan.

18 ~~((l))~~ (n) \$36,000 of the general fund--state appropriation for
19 fiscal year 2014 and \$36,000 of the general fund--state appropriation
20 for fiscal year 2015 are provided solely for implementation of
21 Engrossed Senate Bill No. 5484 (assault in the third-degree). If the
22 bill is not enacted by June 30, 2013, the amounts provided in this
23 subsection shall lapse.

24 ~~((m))~~ (o) \$48,000 of the general fund--state appropriation for
25 fiscal year 2014 and \$48,000 of the general fund--state appropriation
26 for fiscal year 2015 are provided solely for implementation of
27 Engrossed Substitute House Bill No. 1383 (stalking protection orders).
28 If the bill is not enacted by June 30, 2013, the amounts provided in
29 this subsection shall lapse.

30 ~~((n))~~ (p) \$36,000 of the general fund--state appropriation for
31 fiscal year 2014 and \$36,000 of the general fund--state appropriation
32 for fiscal year 2015 are provided solely for implementation of Senate
33 Bill No. 5149 (crimes against pharmacies). If the bill is not enacted
34 by June 30, 2013, the amounts provided in this subsection shall lapse.

35 ~~((o))~~ (q) \$24,000 of the general fund--state appropriation for
36 fiscal year 2014 and \$24,000 of the general fund--state appropriation
37 for fiscal year 2015 are provided solely for implementation of

1 Engrossed Substitute Senate Bill No. 5669 (trafficking). If the bill
2 is not enacted by June 30, 2013, the amounts provided in this
3 subsection shall lapse.

4 ~~((p))~~ (r) \$24,000 of the general fund--state appropriation for
5 fiscal year 2014 and \$24,000 of the general fund--state appropriation
6 for fiscal year 2015 are provided solely for implementation of
7 Engrossed Senate Bill No. 5053 (vehicle prowling). If the bill is not
8 enacted by June 30, 2013, the amounts provided in this subsection shall
9 lapse.

10 ~~((q))~~ (s) \$96,000 of the county criminal justice assistance--
11 state appropriation is provided solely for implementation of Engrossed
12 Senate Bill No. 5105 (rental vouchers for offenders). If the bill is
13 not enacted by June 30, 2013, the amount provided in this subsection
14 shall lapse.

15 (3) COMMUNITY SUPERVISION

16	General Fund--State Appropriation (FY 2014)	(((\$130,568,000))
17		<u>\$148,645,000</u>
18	General Fund--State Appropriation (FY 2015)	(((\$131,973,000))
19		<u>\$152,928,000</u>
20	County Criminal Justice Assistance Account--State	\$2,249,000
21	Ignition Interlock Device Revolving Account--State	\$2,200,000
22	TOTAL APPROPRIATION	(((\$266,990,000))
23		<u>\$306,022,000</u>

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

26 (a) \$1,906,000 of the county criminal justice assistance account--
27 state appropriation and \$2,200,000 of the ignition interlock device
28 revolving account--state appropriation are provided solely for the
29 department to contract for additional residential drug offender
30 sentencing alternative treatment slots. By December 1, 2013, the
31 department shall provide a report to the appropriate fiscal committees
32 of the house of representatives and the senate on the use of the
33 additional treatment slots.

34 (b) \$4,186,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$6,362,000 of the general fund--state appropriation for
36 fiscal year 2015 must be expended on evidence-based programs that
37 follow the risk-needs-responsivity model. The department is authorized
38 to use up to ten percent of these funds as necessary to secure physical

1 space as needed to maximize program delivery of evidence-based
2 treatment to all high-risk, high-need offenders in community
3 supervision. Funding may be prioritized by the department to any
4 program recognized as evidence-based for adult offenders by the
5 Washington state institute for public policy.

6 (c) (~~(\$16,513,000)~~) \$15,363,000 of the general fund--state
7 appropriation for fiscal year 2014 and \$16,527,000 of the general
8 fund--state appropriation for fiscal year 2015 are provided solely for
9 offender programming. Pursuant to section 220 (1) of this act, the
10 department shall develop and implement a written comprehensive plan for
11 offender programming that prioritizes programs which follow the risk-
12 needs-responsivity model, are evidence-based, and have measurable
13 outcomes. The department is authorized to discontinue ineffective
14 programs and to repurpose underspent funds according to the priorities
15 in the written plan.

16 (d) \$107,000 of the county criminal justice--state appropriation is
17 provided solely for implementation of Engrossed Senate Bill No. 5105
18 (rental vouchers for offenders). If the bill is not enacted by June
19 30, 2013, the amount provided in this subsection shall lapse.

20 (e) Within the amounts provided in this section, funding is
21 sufficient to implement Senate Bill No. 6327 (expanding the categories
22 of offenses eligible for the community parenting alternative program
23 within the department of corrections).

24 (4) CORRECTIONAL INDUSTRIES

25	General Fund--State Appropriation (FY 2014)	(\$6,780,000)
26		<u>\$6,830,000</u>
27	General Fund--State Appropriation (FY 2015)	\$7,182,000
28	TOTAL APPROPRIATION	(\$13,962,000)
29		<u>\$14,012,000</u>

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

32 (a) \$3,293,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$3,707,000 of the general fund--state appropriation for
34 fiscal year 2015 are provided solely for the stewardship of McNeil
35 island. The department shall assume responsibility of all island
36 maintenance excluding site specific maintenance operations for the
37 special commitment center and the Pierce county secure transitional
38 facility. The department shall as part of its industries program

1 provide job skills to offenders while providing the minimum maintenance
2 and preservation necessary for the state to remain in compliance with
3 the federal deed for McNeil island. The department shall report on
4 efficiencies and potential cost reductions to the office of financial
5 management and legislative fiscal committees by December 15, 2013.

6 (b)(i) The department of social and health services shall transfer
7 the stewardship of McNeil Island to the department of corrections
8 industries program, effective September 1, 2013. The transferred
9 responsibilities shall include marine operations, waste water
10 treatment, water treatment, road maintenance, and any other general
11 island maintenance that is not site specific to the operations of the
12 special commitment center or the Pierce county secure community
13 transition facility. Facility maintenance within the perimeter of the
14 special commitment center shall remain the responsibility of the
15 department of social and health services. Capital repairs and
16 maintenance necessary to maintain the special commitment center on
17 McNeil Island shall be managed by the department of social and health
18 services. The legislature directs both departments to enter into an
19 interagency agreement by August 1, 2013. The office of financial
20 management shall oversee the negotiations of the interagency agreement.
21 The interagency agreement must describe equipment that will transfer
22 between the departments, warehouse space that will be shared by the
23 departments, and occupancy requirements for any shops outside the
24 perimeter of the special commitment center. The office of financial
25 management will make the final determination on any disagreements
26 between the departments on the details of the interagency agreement.

27 (ii) All employees of the department of social and health services
28 engaged in performing the powers, functions, and duties transferred to
29 the department of corrections industries program under this subsection,
30 are transferred to the department of corrections.

31 (iii) All classified employees of department of social and health
32 services assigned to the department of corrections under this
33 subsection whose positions are within an existing bargaining unit
34 description at the department of corrections shall become a part of the
35 existing bargaining unit at the department of corrections and shall be
36 considered an appropriate inclusion or modification of the existing
37 bargaining unit under the provisions of chapter 41.80 RCW.

38 (5) INTERAGENCY PAYMENTS

1	General Fund--State Appropriation (FY 2014)	((\$35,345,000))
2		<u>\$40,904,000</u>
3	General Fund--State Appropriation (FY 2015)	((\$32,115,000))
4		<u>\$37,289,000</u>
5	TOTAL APPROPRIATION	((\$67,460,000))
6		<u>\$78,193,000</u>

7 The appropriations in this subsection are subject to the following
8 conditions and limitations: The state prison medical facilities may
9 use funds appropriated in this subsection to purchase goods and
10 supplies through hospital or other group purchasing organizations when
11 it is cost effective to do so.

12 **Sec. 221.** 2013 2nd sp.s. c 4 s 221 (uncodified) is amended to read
13 as follows:

14 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

15	General Fund--State Appropriation (FY 2014)	((\$2,242,000))
16		<u>\$2,221,000</u>
17	General Fund--State Appropriation (FY 2015)	((\$2,197,000))
18		<u>\$2,210,000</u>
19	General Fund--Federal Appropriation	((\$21,060,000))
20		<u>\$21,028,000</u>
21	General Fund--Private/Local Appropriation	\$60,000
22	TOTAL APPROPRIATION	((\$25,559,000))
23		<u>\$25,519,000</u>

24 **Sec. 222.** 2013 2nd sp.s. c 4 s 222 (uncodified) is amended to read
25 as follows:

26 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

27	General Fund--Federal Appropriation	((\$269,977,000))
28		<u>\$269,835,000</u>
29	General Fund--Private/Local Appropriation	((\$34,206,000))
30		<u>\$34,177,000</u>
31	Unemployment Compensation Administration Account--	
32	Federal Appropriation	((\$320,006,000))
33		<u>\$332,471,000</u>
34	Administrative Contingency Account--State	
35	Appropriation	((\$22,728,000))
36		<u>\$17,953,000</u>

1 Employment Service Administrative Account--State
2 Appropriation ((~~\$35,567,000~~))
3 \$41,548,000
4 TOTAL APPROPRIATION ((~~\$682,484,000~~))
5 \$695,984,000

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

8 (1) \$5,000,000 of the unemployment compensation administration
9 account--federal appropriation is from amounts made available to the
10 state by section 903(g) of the social security act (Reed act). This
11 amount is provided solely for continuing current unemployment insurance
12 functions and department services to employers and job seekers.

13 (2) (~~(\$12,386,000)~~) \$23,585,000 of the unemployment compensation
14 administration account--federal appropriation is from amounts made
15 available to the state by section 903(g) of the social security act
16 (Reed act). This amount is provided solely for the replacement of the
17 unemployment insurance tax information system for the employment
18 security department. The amounts provided in this subsection are
19 conditioned on the department satisfying the requirements of the
20 project management oversight standards and policies established by the
21 office of the chief information officer.

22 (3) \$3,735,000 of the unemployment compensation account--federal
23 appropriation is from amounts made available to the state by section
24 903(g) of the social security act (Reed act). This amount is provided
25 solely for the replacement of call center technology to improve the
26 integration of the telephone and computing systems to increase
27 efficiency and improve customer service.

28 (4) \$182,000 of the employment services administrative account--
29 state appropriation is provided for costs associated with the second
30 stage of the review and evaluation of the training benefits program as
31 directed in section 15(2), chapter 4, Laws of 2011 (unemployment
32 insurance program). This second stage shall be developed and conducted
33 by the joint legislative audit and review committee and shall consist
34 of further work on the process study and net-impact/cost-benefit
35 analysis components of the evaluation.

36 (5) \$240,000 of the administrative contingency account--state
37 appropriation is provided solely for the employment security department
38 to contract with a center for workers in King county. The amount

1 appropriated in this subsection shall be used by the contracted center
2 for workers to support initiatives that generate high-skill, high-wage
3 jobs; improve workforce and training systems; improve service delivery
4 for dislocated workers; and build alliances with community and
5 environmental organizations.

6 (6) The department is prohibited from expending amounts
7 appropriated in this section for implementation of chapter 49.86 RCW.

8 (7) \$3,809,000 of the unemployment compensation administration
9 account--federal appropriation is from amounts made available to the
10 state by section 903(g) of the social security act (Reed act). This
11 amount is provided solely for the replacement of the unemployment
12 insurance benefit system for the employment security department. The
13 amounts provided in this subsection are conditioned on the department
14 satisfying the requirements of the project management oversight
15 standards and policies established by the office of the chief
16 information officer.

17 (8) \$469,000 of the administrative contingency account--state
18 appropriation is provided solely for elevator repair and replacement at
19 the department's headquarters in Olympia.

(End of part)

PART III
NATURAL RESOURCES

Sec. 301. 2013 2nd sp.s. c 4 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund--State Appropriation (FY 2014)	.. . . . .	(((\$445,000)))
		<u>\$442,000</u>
General Fund--State Appropriation (FY 2015)	.. . . . .	(((\$446,000)))
		<u>\$449,000</u>
General Fund--Federal Appropriation	.. . . . .	\$31,000
General Fund--Private/Local Appropriation	.. . . . .	\$874,000
TOTAL APPROPRIATION	.. . . . .	\$1,796,000

Sec. 302. 2013 2nd sp.s. c 4 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2014)	.. . . . .	(((\$25,929,000)))
		<u>\$25,894,000</u>
General Fund--State Appropriation (FY 2015)	.. . . . .	(((\$25,506,000)))
		<u>\$25,481,000</u>
General Fund--Federal Appropriation	.. . . . .	(((\$105,230,000)))
		<u>\$103,230,000</u>
General Fund--Private/Local Appropriation	.. . . . .	\$16,912,000
Reclamation Account--State Appropriation	.. . . . .	(((\$3,735,000)))
		<u>\$3,994,000</u>
Flood Control Assistance Account--State Appropriation	.. . . . .	\$1,985,000
State Emergency Water Projects Revolving Account--State Appropriation	.. . . . .	\$40,000
Waste Reduction/Recycling/Litter Control--State Appropriation	.. . . . .	(((\$9,722,000)))
		<u>\$9,719,000</u>
State Drought Preparedness Account--State Appropriation	.. . . . .	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	.. . . . .	\$426,000
Environmental Legacy Stewardship Account--State		

1	Appropriation	((\$43,748,000))
2		<u>\$44,226,000</u>
3	Aquatic Algae Control Account--State Appropriation	\$513,000
4	Water Rights Tracking System Account--State	
5	Appropriation	\$46,000
6	Site Closure Account--State Appropriation	\$556,000
7	Wood Stove Education and Enforcement Account--State	
8	Appropriation	\$612,000
9	Worker and Community Right-to-Know Account--State	
10	Appropriation	\$1,701,000
11	Water Rights Processing Account--State Appropriation	\$135,000
12	State Toxics Control Account--State Appropriation	((\$124,238,000))
13		<u>\$125,240,000</u>
14	State Toxics Control Account--Private/Local	
15	Appropriation	\$979,000
16	Local Toxics Control Account--State Appropriation	((\$3,774,000))
17		<u>\$3,769,000</u>
18	Water Quality Permit Account--State Appropriation	((\$40,982,000))
19		<u>\$41,773,000</u>
20	Underground Storage Tank Account--State	
21	Appropriation	((\$3,347,000))
22		<u>\$3,346,000</u>
23	Biosolids Permit Account--State Appropriation	((\$1,848,000))
24		<u>\$2,147,000</u>
25	Hazardous Waste Assistance Account--State	
26	Appropriation	((\$6,037,000))
27		<u>\$6,033,000</u>
28	Air Pollution Control Account--State Appropriation	\$3,128,000
29	Oil Spill Prevention Account--State Appropriation	((\$5,684,000))
30		<u>\$6,332,000</u>
31	Air Operating Permit Account--State Appropriation	\$3,132,000
32	Freshwater Aquatic Weeds Account--State	
33	Appropriation	\$1,409,000
34	Oil Spill Response Account--State Appropriation	\$7,076,000
35	Water Pollution Control Revolving Account--State	
36	Appropriation	\$356,000
37	Water Pollution Control Revolving Account--Federal	
38	Appropriation	\$1,505,000

1	Water Pollution Control Revolving Administration	
2	Account--State Appropriation	\$1,021,000
3	Radioactive Mixed Waste Account--State	
4	Appropriation	((\$13,800,000))
5		<u>\$14,336,000</u>
6	TOTAL APPROPRIATION	((\$455,316,000))
7		<u>\$457,256,000</u>

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

10 (1) \$170,000 of the oil spill prevention account--state
11 appropriation is provided solely for a contract with the University of
12 Washington's sea grant program to continue an educational program
13 targeted to small spills from commercial fishing vessels, ferries,
14 cruise ships, ports, and marinas.

15 (2) Pursuant to RCW 43.135.055, the department is authorized to
16 increase the following fees as necessary to meet the actual costs of
17 conducting business and the appropriation levels in this section:
18 Wastewater discharge permit, not more than 4.55 percent in fiscal year
19 2014 and 4.63 percent in fiscal year 2015; mixed waste management
20 service charge authorized in RCW 70.105.280, not more than 1.82 percent
21 in fiscal year 2014 and 0.62 percent in fiscal year 2015; and
22 reasonably available control technology fee.

23 (3) \$1,981,000 of the state toxics control account--state
24 appropriation is for the department to provide training regarding the
25 benefits of low-impact development including, but not limited to, when
26 the use of low-impact development is appropriate and feasible, and the
27 design, installation, maintenance, and best practices of low-impact
28 development. The department will consult with Washington State
29 University extension low-impact development technical center and others
30 in the development of the low-impact technical training. As
31 appropriate, the department may contract with the Washington State
32 University extension low-impact development technical center, private
33 sector vendors, associations, and others to deliver the technical
34 training. The training must be provided free of cost to phase I and
35 phase II permittees and the private development community including
36 builders, engineers, and other industry professionals. The training
37 must be sequenced geographically and provided in time for local
38 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By

1 August 1, 2013, the department of ecology shall provide the governor
2 and appropriate legislative committees a plan for how low-impact
3 development training funds will be spent during fiscal years 2014
4 through 2017.

5 (4) \$440,000 of the state toxics control account--state
6 appropriation is provided solely for administering the water pollution
7 control facilities financial assistance program authorized in chapter
8 90.50A RCW.

9 (5) \$350,000 of the state toxics control account--state
10 appropriation is provided solely for the Spokane river regional toxics
11 task force to support their efforts to address elevated levels of
12 polychlorinated biphenyls in the Spokane river. Funding will be used
13 to determine the extent of the cleanup required, implement cleanup
14 actions to meet applicable water quality standards, and prevent
15 recontamination.

16 (6) \$516,000 of the state toxics control account--state
17 appropriation is provided solely for the department to support an
18 ultrafine particulate study to determine how, if at all, the biomass
19 cogeneration facilities in Port Townsend and Port Angeles may impact
20 air quality and the health of citizens in the region.

21 (7) \$65,000 of the water quality permit account--state
22 appropriation is provided solely for the implementation of Engrossed
23 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
24 the bill is not enacted by June 30, 2013, the amount provided in this
25 subsection shall lapse.

26 ~~((+9))~~ (8) The department shall collaborate with the middle snake
27 river watershed, WRIA 35 planning unit in implementing its watershed
28 plan.

29 ~~((+10))~~ (9)(a) \$14,000,000 of the general fund--state
30 appropriation for fiscal year 2014 and \$14,000,000 of the general
31 fund--state appropriation for fiscal year 2015 are for activities
32 within the water resources program.

33 (b) Of the amounts provided in (a) of this subsection, \$500,000 of
34 the general fund--state appropriation for fiscal year 2015 is provided
35 solely for processing water right permit applications only if the
36 department of ecology issues at least five hundred water right
37 decisions in fiscal year 2014, and if the department of ecology does
38 not issue at least five hundred water right decisions in fiscal year

1 2014 the amount provided in this subsection shall lapse and remain
2 unexpended. The department of ecology shall submit a report to the
3 office of financial management and the state treasurer by June 30,
4 2014, that documents whether five hundred water right decisions were
5 issued in fiscal year 2014. For the purposes of this subsection,
6 applications that are voluntarily withdrawn by an applicant do not
7 count towards the five hundred water right decision requirement. For
8 the purposes of water budget-neutral requests under chapter 173-539A
9 WAC, multiple domestic connections authorized within a single water
10 budget-neutral decision are considered one decision for the purposes of
11 this subsection.

12 ~~((+11))~~ (10) The department of ecology, in consultation with the
13 office of financial management, shall prepare a facilities plan to
14 reduce the agency's facilities obligation and the agency's cost per FTE
15 for its facilities by 2017 to align with comparable state agencies.
16 The plan must be submitted to the office of financial management and
17 the appropriate legislative fiscal committees by November 1, 2013. The
18 plan must include: (a) An inventory of all currently owned and leased
19 buildings, consistent with the data provided through the state's
20 facilities inventory process prescribed by the office of financial
21 management annually by September 1st; (b) a list of facilities
22 solutions that will reduce costs with an emphasis on consolidation,
23 collocation, and alternative space solutions such as shared workspace
24 and mobile work; and (c) a department-wide coordinated process and plan
25 for regularly evaluating facility needs.

26 (11) \$25,000 of the general fund--state appropriation for fiscal
27 year 2015 is provided solely for the protection of groundwater aquifers
28 that are the sole drinking water source as prescribed in RCW 90.54.140
29 specifically for the protection of artesian groundwater aquifers in a
30 county with a population greater than one million five hundred thousand
31 that are being detrimentally impacted by development. If the amount
32 provided in this subsection is not sufficient for this purpose, the
33 department must use existing funds to implement this subsection.

34 (12) \$100,000 of the environmental legacy stewardship account--
35 state appropriation is provided solely to fund the Bertrand watershed
36 improvement district's development of a conceptual groundwater model
37 for water right permitting and mitigation efforts in the Lynden,

1 Everson, Nooksack, and Sumas (LENS) aquifer study area. The conceptual
2 groundwater model shall be developed in cooperation with the WRIA 1
3 watershed planning joint board.

4 **Sec. 303.** 2013 2nd sp.s. c 4 s 303 (uncodified) is amended to read
5 as follows:

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

7	General Fund--State Appropriation (FY 2014)	((\$4,254,000))
8		<u>\$4,271,000</u>
9	General Fund--State Appropriation (FY 2015)	((\$4,254,000))
10		<u>\$4,137,000</u>
11	General Fund--Federal Appropriation	\$6,014,000
12	Winter Recreation Program Account--State	
13	Appropriation	((\$2,065,000))
14		<u>\$2,465,000</u>
15	ORV and Nonhighway Vehicle Account--State	
16	Appropriation	\$215,000
17	Snowmobile Account--State Appropriation	\$4,859,000
18	Aquatic Lands Enhancement Account--State Appropriation	\$363,000
19	Parks Renewal and Stewardship Account--State	
20	Appropriation	((\$103,065,000))
21		<u>\$106,139,000</u>
22	Parks Renewal and Stewardship Account--Private/Local	
23	Appropriation	\$300,000
24	Waste Reduction/Recycling/Litter Control Account--State	
25	Appropriation	\$1,700,000
26	TOTAL APPROPRIATION	((\$127,089,000))
27		<u>\$130,463,000</u>

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

30 (1) \$79,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$79,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for a grant for the operation of
33 the Northwest weather and avalanche center.

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

1 governments and nonprofit organizations to elect to acquire, or enter
2 into, a maintenance and operating contract with the commission that
3 would allow the park to remain open.

4 (3) The commission shall prepare a report on its efforts to
5 increase revenue from all sources, including the discover pass. The
6 report shall also include a status update on the fiscal health of the
7 state parks system, and shall be submitted to the office of financial
8 management and the appropriate committees of the legislature by October
9 28, 2013.

10 (4)(a) Within the amounts appropriated in this section, the state
11 parks and recreation commission must continue its ongoing efforts to
12 evaluate the agency's mission and options to improve the efficiency and
13 effectiveness of the agency, which may include the evaluation of
14 options relating to organizational structure, administrative processes,
15 land and facility ownership and management, and provision of services.

16 (b) The evaluation must include development of specific performance
17 measures relating to the efficiency and effectiveness of the agency,
18 which may include measures relating to data collection necessary for
19 future analysis consistent with the purposes of this subsection.

20 (c) In developing the performance measures required by (b) of this
21 subsection, the state parks and recreation commission must produce and
22 consider the following:

23 (i) An inventory of land and facilities owned and managed by the
24 commission and a process to upgrade the inventory to one capable of
25 describing primary land and facility uses;

26 (ii) An evaluation of the lands and facilities identified under
27 (c)(i) of this subsection for lands and facilities surplus to state
28 park needs and actions taken or planned to dispose of or more
29 advantageously position these assets;

30 (iii) Current annual visitation data categorized by state park and
31 a process to upgrade the system for collecting parks visitation data to
32 better understand existing and potential markets for park services;

33 (iv) A process to systematically assess and prioritize the state
34 parks and recreation commission's capital needs, including a financial
35 analysis;

36 (v) An inventory of and progress developing ongoing partnerships
37 with entities including the state parks foundation, state park friends
38 groups, and other appropriate public and nonprofit entities;

1 (vi) An inventory of existing enterprise activities and agreements
2 at state parks, including those relating to product sales, concessions,
3 sponsorships, and advertising, and a process for identifying and
4 evaluating additional potential enterprise opportunities for generating
5 revenue or cost savings;

6 (vii) A summary of actions taken and planned for application of
7 lean management philosophies and tools throughout the agency; and

8 (viii) A summary of actions taken and planned towards continued
9 development of a sustained, strategic approach to marketing state
10 parks.

11 (d) The outcomes of the evaluation under (a) of this subsection,
12 the performance measures required under (b) of this subsection, and the
13 information to be produced and considered under (c) of this subsection
14 must be provided to the office of financial management and appropriate
15 committees of the senate and house of representatives by September 1,
16 2014.

17 (5) The fiscal year 2015 general fund--state appropriation to the
18 commission has been reduced by \$250,000. The legislature assumes the
19 reduced appropriation will be offset by increased discover pass sales
20 pursuant to RCW 79A.80.110.

21 **Sec. 304.** 2013 2nd sp.s. c 4 s 304 (uncodified) is amended to read
22 as follows:

23 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

24	General Fund--State Appropriation (FY 2014)	(((\$823,000))
25		\$828,000
26	General Fund--State Appropriation (FY 2015)	(((\$815,000))
27		\$898,000
28	General Fund--Federal Appropriation	\$3,425,000
29	General Fund--Private/Local Appropriation	(((\$24,000))
30		\$124,000
31	Aquatic Lands Enhancement Account--State Appropriation	\$480,000
32	<u>Park Land Trust Revolving Account--State Appropriation</u>	<u>\$34,000</u>
33	<u>State Wildlife Account--State Appropriation</u>	<u>\$33,000</u>
34	<u>Parks Renewal and Stewardship Account--State</u>	
35	<u>Appropriation</u>	<u>\$33,000</u>
36	Firearms Range Account--State Appropriation	\$37,000
37	Recreation Resources Account--State Appropriation	(((\$3,086,000))

1 (1) Within the amounts appropriated in this section, the
2 conservation commission, in consultation with conservation districts,
3 must submit to the office of financial management and legislative
4 fiscal committees by December 10, 2013, a report outlining
5 opportunities to minimize districts' overhead costs, including
6 consolidation of conservation districts within counties in which there
7 is more than one district. The report must include details on the
8 anticipated future savings that could be expected from implementing
9 these efficiencies starting on July 1, 2014.

10 (2) \$300,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$246,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely to implement the voluntary
13 stewardship program in Thurston and Chelan counties. These amounts may
14 not be used to fund agency indirect and administrative expenses.

15 (3) \$1,000,000 of the general fund--federal appropriation is
16 provided solely to implement the voluntary stewardship program
17 statewide. The commission shall place the appropriation in this
18 subsection in unallotted status, and may not allot any of these funds
19 until the federal government has provided funding to the commission for
20 the purpose of implementing the voluntary stewardship program.

21 (4) The conservation commission must evaluate the current system
22 for the election of conservation district board supervisors and
23 recommend improvements to ensure the highest degree of public
24 involvement in these elections. The commission must engage with
25 stakeholder groups and conservation districts to gather a set of
26 options for improvement to district elections, which must include an
27 option aligning district elections with state and local general
28 elections. The commission must submit a report detailing the options
29 to the office of financial management and appropriate committees of the
30 legislature by December 10, 2013.

31 (5) \$100,000 of the state toxics control account--state
32 appropriation is provided solely for the Whatcom agricultural district
33 coalition to educate and inform agricultural landowners on regulatory
34 compliance issues relating to groundwater quality issues including
35 nitrates, fecal coliform, and pesticide contamination within WRIA 1 and
36 to organize watershed improvement districts to implement environmental
37 regulatory compliance strategies.

1 **Sec. 307.** 2013 2nd sp.s. c 4 s 307 (uncodified) is amended to read
2 as follows:

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

4	General Fund--State Appropriation (FY 2014)	((\$30,321,000))
5		<u>\$30,650,000</u>
6	General Fund--State Appropriation (FY 2015)	((\$28,999,000))
7		<u>\$30,449,000</u>
8	General Fund--Federal Appropriation	((\$107,585,000))
9		<u>\$107,998,000</u>
10	General Fund--Private/Local Appropriation	((\$58,784,000))
11		<u>\$58,721,000</u>
12	ORV and Nonhighway Vehicle Account--State	
13	Appropriation	\$397,000
14	Aquatic Lands Enhancement Account--State	
15	Appropriation	((\$15,919,000))
16		<u>\$15,941,000</u>
17	Recreational Fisheries Enhancement--State	
18	Appropriation	((\$2,590,000))
19		<u>\$2,617,000</u>
20	Environmental Legacy Stewardship Account--State	
21	Appropriation	\$1,224,000
22	Warm Water Game Fish Account--State Appropriation . . .	((\$2,507,000))
23		<u>\$2,509,000</u>
24	Eastern Washington Pheasant Enhancement Account--State	
25	Appropriation	\$849,000
26	Aquatic Invasive Species Enforcement Account--State	
27	Appropriation	\$209,000
28	Aquatic Invasive Species Prevention Account--State	
29	Appropriation	\$737,000
30	State Wildlife Account--State Appropriation	((\$103,460,000))
31		<u>\$104,268,000</u>
32	Special Wildlife Account--State Appropriation	\$2,405,000
33	Special Wildlife Account--Federal Appropriation	\$500,000
34	Special Wildlife Account--Private/Local	
35	Appropriation	\$3,446,000
36	Wildlife Rehabilitation Account--State Appropriation	\$259,000
37	Hydraulic Project Approval Account--State	
38	Appropriation	((\$674,000))

1 \$966,000

2 Regional Fisheries Enhancement Salmonid Recovery

3 Account--Federal Appropriation \$5,001,000

4 Oil Spill Prevention Account--State Appropriation \$917,000

5 Oyster Reserve Land Account--State Appropriation \$773,000

6 TOTAL APPROPRIATION ((~~\$367,556,000~~))

7 \$370,836,000

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

10 (1) (~~\$130,000~~) \$545,000 of the general fund--state appropriation
11 for fiscal year 2014 and \$130,000 of the general fund-- state
12 appropriation for fiscal year 2015 are provided solely to pay for
13 emergency fire suppression costs. These amounts may not be used to
14 fund agency indirect and administrative expenses.

15 (2) Prior to submitting its 2015-2017 biennial operating and
16 capital budget request related to state fish hatcheries to the office
17 of financial management, the department shall contract with the
18 hatchery scientific review group (HSRG) to review this request. This
19 review shall: (a) Determine if the proposed requests are consistent
20 with HSRG recommendations; (b) prioritize the components of the
21 requests based on their contributions to protecting wild salmonid
22 stocks and meeting the recommendations of the HSRG; and (c) evaluate
23 whether the proposed requests are being made in the most cost effective
24 manner. The department shall provide a copy of the HSRG review to the
25 office of financial management with their agency budget proposal.

26 (3) \$400,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$400,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for a state match to support the
29 Puget Sound nearshore partnership between the department and the U.S.
30 army corps of engineers.

31 (4) Within the amounts appropriated in this section, the department
32 shall identify additional opportunities for partnerships in order to
33 keep fish hatcheries operational. Such partnerships shall aim to
34 maintain fish production and salmon recovery with less reliance on
35 state operating funds.

36 (5) During the 2013-2015 fiscal biennium, the department must
37 retain ownership and continue to occupy the downtown Olympia office
38 building at 600 Capitol Way.

1 (6) \$1,000,000 of the state wildlife account--state appropriation
2 is provided solely to the department for resources that serve to
3 promote and engage nonlethal deterrence methods relating to wolf and
4 livestock interaction with a priority given to funding cooperative
5 agreements with livestock producers, and of this amount, \$250,000 in
6 fiscal year 2014 is provided solely for compensation for injury or loss
7 of livestock caused by wolves as prescribed in chapter 77.36 RCW.

8 (7) \$100,000 of the state wildlife account--state appropriation is
9 provided solely for the transfer of trout from the Clarks creek
10 hatchery to the Lakewood hatchery.

11 (8) \$100,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$100,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for the production of steelhead,
14 coho, and Chinook salmon at the Clarks creek hatchery.

15 (9) \$200,000 of the state wildlife account--state appropriation,
16 \$50,000 of the general fund--state appropriation for fiscal year 2014,
17 and \$50,000 of the general fund--state appropriation for fiscal year
18 2015 are provided solely for the department to increase production of
19 juvenile fall Chinook on the Cowlitz river. The funds provided may be
20 used to match or leverage funds from private or public sources for the
21 same purpose.

22 (10) \$596,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$596,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for weed assessments and for
25 payments in lieu of real property taxes to counties that elect to
26 receive the payments for department owned game lands within the county.

27 (11) \$10,000 of the aquatic lands enhancement account--state
28 appropriation is provided solely for development of an aquatic invasive
29 species passport program to improve the efficiency and effectiveness of
30 watercraft inspections by expediting aquatic invasive species
31 watercraft inspections for watercraft at low risk of transmitting
32 invasive species and prioritizing the use of available resources for
33 the inspection of high risk vessels.

34 (12) Within the amounts appropriated in this section, the
35 department must deploy additional wildlife conflict specialists to
36 provide landowner assistance and address wildlife conflicts, with at
37 least one additional specialist primarily assigned to each of the
38 following areas: Administrative region six of the department; Okanogan

1 and Chelan counties in administrative region two of the department; and
2 Whatcom and Skagit counties in administrative region four of the
3 department.

4 (13) \$25,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$25,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for implementation of House Bill
7 No. 1112 (science and public policy). If the bill is not enacted by
8 June 30, 2013, the amounts provided in this subsection shall lapse.

9 (14) Within the amounts appropriated in this section the department
10 shall work with the regional fisheries enhancement groups to identify
11 a revenue source or sources capable of providing long-term funding to
12 support the community-based salmon restoration work of regional
13 fisheries enhancement groups. The department shall work with the
14 regional fisheries enhancement group coalition to submit a report to
15 the office of financial management and the appropriate legislative
16 committees by December 1, 2013, with the outcomes and recommendations.

17 (15) Within the amounts appropriated in this section, the
18 department must conduct a study of the Lake Washington basin sockeye
19 salmon to evaluate the impact of predation on juvenile sockeye by
20 several species of fish that inhabit the lake, and develop management
21 actions by the state to increase the returns of adult sockeye to the
22 lake.

23 **Sec. 308.** 2013 2nd sp.s. c 4 s 308 (uncodified) is amended to read
24 as follows:

25 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

26	General Fund--State Appropriation (FY 2014)	((\$42,515,000))
27		<u>\$48,628,000</u>
28	General Fund--State Appropriation (FY 2015)	((\$45,092,000))
29		<u>\$45,056,000</u>
30	General Fund--Federal Appropriation	\$26,963,000
31	General Fund--Private/Local Appropriation	\$2,372,000
32	Forest Development Account--State Appropriation	((\$49,054,000))
33		<u>\$50,630,000</u>
34	ORV and Nonhighway Vehicle Account--State	
35	Appropriation	\$4,494,000
36	Surveys and Maps Account--State Appropriation	((\$2,170,000))
37		<u>\$1,680,000</u>

1	Aquatic Lands Enhancement Account--State	
2	Appropriation	((\$3,634,000))
3		<u>\$3,624,000</u>
4	Snowmobile Account--State Appropriation	\$100,000
5	Environmental Legacy Stewardship Account--State	
6	Appropriation	\$3,948,000
7	Resources Management Cost Account--State	
8	Appropriation	((\$111,073,000))
9		<u>\$116,389,000</u>
10	Surface Mining Reclamation Account--State	
11	Appropriation	((\$3,972,000))
12		<u>\$3,968,000</u>
13	Disaster Response Account--State Appropriation	\$5,000,000
14	Forest and Fish Support Account--State	
15	Appropriation	\$11,759,000
16	Aquatic Land Dredged Material Disposal Site	
17	Account--State Appropriation	((\$843,000))
18		<u>\$463,000</u>
19	Natural Resources Conservation Areas Stewardship	
20	Account--State Appropriation	\$34,000
21	Marine Resources Stewardship Trust Account--State	
22	Appropriation	\$3,700,000
23	State Toxics Control Account--State Appropriation	\$80,000
24	Forest Practices Application Account--State	
25	Appropriation	\$1,697,000
26	Air Pollution Control Account--State Appropriation	\$785,000
27	NOVA Program Account--State Appropriation	\$950,000
28	Derelict Vessel Removal Account--State	
29	Appropriation	\$1,770,000
30	Agricultural College Trust Management Account--State	
31	Appropriation	\$2,712,000
32	TOTAL APPROPRIATION	((\$324,717,000))
33		<u>\$336,802,000</u>

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

36 (1) \$1,389,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$1,323,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for deposit into the agricultural

1 college trust management account and are provided solely to manage
2 approximately 70,700 acres of Washington State University's
3 agricultural college trust lands.

4 (2) (~~(\$19,099,000)~~) \$25,271,000 of the general fund--state
5 appropriation for fiscal year 2014, \$19,099,000 of the general fund--
6 state appropriation for fiscal year 2015, and \$5,000,000 of the
7 disaster response account--state appropriation are provided solely for
8 emergency fire suppression. None of the general fund and disaster
9 response account amounts provided in this subsection may be used to
10 fund agency indirect and administrative expenses. Agency indirect and
11 administrative costs shall be allocated among the agency's remaining
12 accounts and appropriations. The department of natural resources shall
13 submit a quarterly report to the office of financial management and the
14 legislative fiscal committees detailing information on current and
15 planned expenditures from the disaster response account. This work
16 shall be done in coordination with the military department.

17 (3) \$5,000,000 of the forest and fish support account--state
18 appropriation is provided solely for outcome-based, performance
19 contracts with tribes to participate in the implementation of the
20 forest practices program. Contracts awarded may only contain indirect
21 costs set at or below the rate in the contracting tribe's indirect cost
22 agreement with the federal government. If federal funding for this
23 purpose is reinstated, the amount provided in this subsection shall
24 lapse.

25 (4) \$518,000 of the forest and fish support account--state
26 appropriation is provided solely for outcome-based performance
27 contracts with nongovernmental organizations to participate in the
28 implementation of the forest practices program. Contracts awarded may
29 only contain indirect cost set at or below a rate of eighteen percent.

30 (5) \$717,000 of the forest and fish support account--state
31 appropriation is provided solely to fund interagency agreements with
32 the department of ecology and the department of fish and wildlife as
33 part of the adaptive management process.

34 (6) \$440,000 of the state general fund--state appropriation for
35 fiscal year 2014 and \$440,000 of the state general fund--state
36 appropriation for fiscal year 2015 are provided solely for forest work
37 crews that support correctional camps and are contingent upon
38 continuing operations of Naselle youth camp.

1 (7) \$2,382,000 of the resource management cost account--state
2 appropriation is for addressing the growing backlog of expired aquatic
3 leases and new aquatic lease applications. The department shall
4 implement a Lean process to improve the lease review process and
5 further reduce the backlog, and submit a report on its progress in
6 addressing the backlog and implementation of the Lean process to the
7 governor and the appropriate committees of the legislature by October
8 1, 2013.

9 (8) \$1,948,000 of the environmental legacy stewardship account--
10 state appropriation is provided solely for the department to pay a
11 portion of the costs to complete remedial investigation work at
12 Whitmarsh landfill and Mill site A and perform final-year maintenance
13 of the Olympic view triangle site in Commencement Bay.

14 (9) \$265,000 of the resources management cost account--state
15 appropriation is provided solely for implementation of Second
16 Substitute House Bill No. 1764 (geoduck diver licenses). If the bill
17 is not enacted by June 30, 2013, the amount provided in this subsection
18 shall lapse.

19 (10) \$425,000 of the derelict vessel removal account--state
20 appropriation is provided solely for implementation of Engrossed
21 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
22 the bill is not enacted by June 30, 2013, the amount provided in this
23 subsection shall lapse.

24 (11) \$3,700,000 of the marine resources stewardship trust account--
25 state appropriation is provided solely for implementation of priority
26 marine management planning efforts including mapping activities,
27 ecological assessment, data tools, stakeholder engagement, and all
28 other work identified in Engrossed Senate Bill No. 5603 (marine
29 advisory councils) during the 2013-2015 fiscal biennium.

30 **Sec. 309.** 2013 2nd sp.s. c 4 s 309 (uncodified) is amended to read
31 as follows:

32 **FOR THE DEPARTMENT OF AGRICULTURE**

33	General Fund--State Appropriation (FY 2014)	((\$15,300,000))
34		<u>\$15,257,000</u>
35	General Fund--State Appropriation (FY 2015)	((\$15,294,000))
36		<u>\$16,245,000</u>
37	General Fund--Federal Appropriation	((\$23,098,000))

1		<u>\$23,028,000</u>
2	General Fund--Private/Local Appropriation	\$192,000
3	Aquatic Lands Enhancement Account--State	
4	Appropriation	((\$2,837,000))
5		<u>\$2,835,000</u>
6	State Toxics Control Account--State Appropriation	((\$5,203,000))
7		<u>\$5,201,000</u>
8	Water Quality Permit Account--State Appropriation	((\$70,000))
9		<u>\$68,000</u>
10	TOTAL APPROPRIATION	((\$61,994,000))
11		<u>\$62,826,000</u>

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

14 (1) \$5,308,445 of the general fund--state appropriation for fiscal
15 year 2014 and ((~~\$5,302,905~~)) \$6,102,905 of the general fund--state
16 appropriation for fiscal year 2015 are provided solely for implementing
17 the food assistance program as defined in RCW 43.23.290.

18 (2) Pursuant to RCW 43.135.055 and 16.57.220, the department is
19 authorized to institute livestock inspection fees in the 2013-2015
20 fiscal biennium for calves less than thirty days old.

21 (3) Pursuant to RCW 43.135.055 and 16.36.150, the department is
22 authorized to establish a fee for the sole purpose of purchasing and
23 operating a database and any other technology or software needed to
24 administer animal disease traceability activities for cattle sold or
25 slaughtered in the state or transported out of the state.

26 (4) Within the amounts appropriated in this section, the department
27 of agriculture must convene and facilitate a work group with
28 appropriate stakeholders to review fees supporting programs within the
29 department that are also supported with state general fund. In
30 developing strategies to make the program work more self-supporting,
31 the workgroup will consider, at minimum, the length of time since the
32 last fee increase, similar fees that exist in neighboring states, and
33 fee increases that will ensure reasonable competitiveness in the
34 respective industries. The workgroup must submit a report containing
35 recommendations that will make each of the fee supported programs
36 within the department less reliant on state general fund to the office
37 of financial management and legislative fiscal committees by December
38 1, 2013.

1 **Sec. 310.** 2013 2nd sp.s. c 4 s 310 (uncodified) is amended to read
2 as follows:

3 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

4 Pollution Liability Insurance Program Trust

5 Account--State Appropriation	((\$987,000))
6	<u>\$1,000,000</u>

7 **Sec. 311.** 2013 2nd sp.s. c 4 s 311 (uncodified) is amended to read
8 as follows:

9 **FOR THE PUGET SOUND PARTNERSHIP**

10 General Fund--State Appropriation (FY 2014)	((\$2,416,000))
11	<u>\$2,391,000</u>
12 General Fund--State Appropriation (FY 2015)	((\$2,318,000))
13	<u>\$2,414,000</u>
14 General Fund--Federal Appropriation	\$11,570,000
15 Aquatic Lands Enhancement Account--State Appropriation . . .	\$1,920,000
16 State Toxics Control Account--State Appropriation	\$676,000
17 TOTAL APPROPRIATION	((\$18,900,000))
18	<u>\$18,971,000</u>

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

21 (1) \$788,000 of the aquatic lands enhancement account--state
22 appropriation is provided solely for coordinating a study of Puget
23 Sound juvenile steelhead marine survival conducted by the department of
24 fish and wildlife and based on a study plan developed in cooperation
25 with federal, tribal, and nongovernmental entities.

26 (2) By October 1, 2014, the Puget Sound partnership shall provide
27 the governor a single, prioritized list of state agency 2015-2017
28 capital and operating budget requests related to Puget Sound
29 restoration.

30 (3) \$71,000 of the general fund--state appropriation for fiscal
31 year 2015 is provided solely for the Puget Sound partnership to
32 collaborate with interested parties to review the roles of local
33 watershed and salmon recovery organizations implementing the action
34 agenda and provide legislative, budgetary, and administrative
35 recommendations to streamline and strengthen Puget Sound recovery
36 efforts. In conducting this work, the partnership must coordinate with
37 the following interested parties, the Hood Canal coordinating council,

1 marine resources committees, including the Northwest straits
2 initiative, regional fisheries enhancement groups, local integrating
3 organizations, lead entities, and other county watershed councils, as
4 well as representatives of federal, state, tribal, and local government
5 agencies. Recommendations must be provided to the appropriate
6 legislative committees by December 1, 2014.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2013 2nd sp.s. c 4 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2014)	((\$1,103,000))
	<u>\$1,114,000</u>
General Fund--State Appropriation (FY 2015)	((\$1,341,000))
	<u>\$1,729,000</u>
Architects' License Account--State Appropriation	\$902,000
Professional Engineers' Account--State	
Appropriation	((\$3,558,000))
	<u>\$3,545,000</u>
Real Estate Commission Account--State Appropriation	((\$9,929,000))
	<u>\$9,935,000</u>
Uniform Commercial Code Account--State	
Appropriation	((\$3,154,000))
	<u>\$3,145,000</u>
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation	((\$1,703,000))
	<u>\$1,705,000</u>
Business and Professions Account--State	
Appropriation	((\$17,454,000))
	<u>\$17,484,000</u>
Funeral and Cemetery Account--State Appropriation	\$5,000
Landscape Architects' License Account--State Appropriation	\$4,000
Appraisal Management Company Account--State	
Appropriation	\$4,000
Real Estate Research Account--State Appropriation	\$415,000
Wildlife Account--State Appropriation	\$32,000
Geologists' Account--State Appropriation	\$52,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	((\$39,963,000))
	<u>\$40,378,000</u>

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

3 (1) \$566,000 of the business and professions account--state
4 appropriation is provided solely for the implementation of Engrossed
5 Substitute House Bill No. 1552 (scrap metal theft reduction). If the
6 bill is not enacted by June 30, 2013, the amount provided in this
7 subsection shall lapse.

8 (2) \$166,000 of the business and professions account--state
9 appropriation in fiscal year 2014 only is provided solely for the
10 implementation of Substitute House Bill No. 1779 (esthetics). If the
11 bill is not enacted by June 30, 2013, the amount provided in this
12 subsection shall lapse.

13 (3) \$592,000 of the business and professions account--state
14 appropriation is provided solely for the implementation of Substitute
15 House Bill No. 1822 (debt collection practices). If the bill is not
16 enacted by June 30, 2013, the amount provided in this subsection shall
17 lapse.

18 (4) \$32,000 of the state wildlife account--state appropriation is
19 provided solely for the implementation of Engrossed Second Substitute
20 Senate Bill No. 5193 (wolf conflict management). If the bill is not
21 enacted by June 30, 2013, the amount provided in this subsection shall
22 lapse.

23 (5) \$409,000 of the general fund--state appropriation is provided
24 solely for seven temporary staff to eliminate the firearm transfer
25 backlog of 144,000 documents by June 30, 2015.

26 (6) \$32,000 of the general fund--state appropriation for fiscal
27 year 2014 is provided solely for the purposes of Engrossed Substitute
28 Senate Bill No. 6040 (invasive species). If the bill is not enacted by
29 June 30, 2014, the amount provided in this subsection shall lapse.

30 **Sec. 402.** 2013 2nd sp.s. c 4 s 402 (uncodified) is amended to read
31 as follows:

32 **FOR THE STATE PATROL**

33	General Fund--State Appropriation (FY 2014)	((\$34,653,000))
34		<u>\$35,702,000</u>
35	General Fund--State Appropriation (FY 2015)	((\$32,485,000))
36		<u>\$31,725,000</u>
37	General Fund--Federal Appropriation	((\$16,189,000))

1		<u>\$15,882,000</u>
2	General Fund--Private/Local Appropriation	\$3,020,000
3	Death Investigations Account--State Appropriation	((\$9,956,000))
4		<u>\$9,960,000</u>
5	Enhanced 911 Account--State Appropriation	\$3,480,000
6	County Criminal Justice Assistance Account--State	
7	Appropriation	\$3,332,000
8	Municipal Criminal Justice Assistance Account--State	
9	Appropriation	\$1,351,000
10	Fire Service Trust Account--State Appropriation	\$131,000
11	Disaster Response Account--State Appropriation	\$8,000,000
12	Fire Service Training Account--State Appropriation	\$9,797,000
13	Aquatic Invasive Species Enforcement Account--State	
14	Appropriation	\$54,000
15	State Toxics Control Account--State Appropriation	\$516,000
16	Fingerprint Identification Account--State	
17	Appropriation	((\$10,747,000))
18		<u>\$12,247,000</u>
19	Vehicle License Fraud Account--State Appropriation	\$447,000
20	TOTAL APPROPRIATION	((\$134,158,000))
21		<u>\$135,644,000</u>

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

24 (1) \$200,000 of the fire service training account--state
25 appropriation is provided solely for two FTEs in the office of the
26 state director of fire protection to exclusively review K-12
27 construction documents for fire and life safety in accordance with the
28 state building code. It is the intent of this appropriation to provide
29 these services only to those districts that are located in counties
30 without qualified review capabilities.

31 (2) \$8,000,000 of the disaster response account--state
32 appropriation is provided solely for Washington state fire service
33 resource mobilization costs incurred in response to an emergency or
34 disaster authorized under RCW 43.43.960 through 43.43.964. The state
35 patrol shall submit a report quarterly to the office of financial
36 management and the legislative fiscal committees detailing information
37 on current and planned expenditures from this account. This work shall
38 be done in coordination with the military department.

1 (3) \$700,000 of the fire service training account--state
2 appropriation is provided solely for the firefighter apprenticeship
3 training program.

4 (4) \$3,480,000 of the enhanced 911 account--state appropriation is
5 provided solely for upgrades to the Washington state identification
6 system and the Washington crime information center. Amounts provided
7 in this subsection may not be expended until the office of the chief
8 information officer approves a plan to move the Washington state
9 patrol's servers and data center equipment into the state data center
10 in the 1500 Jefferson building, and the office of the chief information
11 officer certifies that the Washington state patrol has begun the move.
12 The amounts provided in this subsection are conditioned on the
13 department satisfying the requirements of the project management
14 oversight standards and policies established by the office of the chief
15 information officer.

16 (5) \$154,000 of the fingerprint identification account--state
17 appropriation is provided solely for implementation of Substitute House
18 Bill No. 1612 (firearms offenders). If the bill is not enacted by June
19 30, 2013, the amount provided in this subsection shall lapse.

(End of part)

PART V
EDUCATION

Sec. 501. 2013 2nd sp.s. c 4 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2014)	((\$27,264,000))
	<u>\$27,220,000</u>
General Fund--State Appropriation (FY 2015)	((\$26,041,000))
	<u>\$26,526,000</u>
General Fund--Federal Appropriation	((\$63,826,000))
	<u>\$71,064,000</u>
General Fund--Private/Local Appropriation	\$4,005,000
Performance Audits of Government Account--State	
Appropriation	\$200,000
TOTAL APPROPRIATION	((\$121,336,000))
	<u>\$129,015,000</u>

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

(1) A maximum of ((~~\$16,881,000~~)) \$16,943,000 of the general fund--state appropriation for fiscal year 2014 and ((~~\$16,602,000~~)) \$16,961,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) ((~~\$8,846,000~~)) \$8,908,000 of the general fund--state appropriation for fiscal year 2014 and ((~~\$8,910,000~~)) \$8,732,000 of the general fund--state appropriation for fiscal year 2015 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) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

1 (iii) By September of each year, the office of the superintendent
2 of public instruction shall produce an annual status report of the
3 budget provisos in sections 501 and 513 of this act. The status report
4 of each proviso shall include, but not be limited to, the following
5 information: Purpose and objective, number of staff, number of
6 contractors, status of proviso implementation, number of beneficiaries
7 by year, list of beneficiaries, and proviso outcomes and achievements.

8 (iv) The superintendent of public instruction shall update the
9 program prepared and distributed under RCW 28A.230.150 for the
10 observation of temperance and good citizenship day to include providing
11 an opportunity for eligible students to register to vote at school.

12 ~~((vi))~~ (v) Appropriations in this section are sufficient for the
13 office of the superintendent of public instruction to conduct ongoing
14 consolidated program reviews of alternative learning experience
15 programs and dropout reengagement programs established under chapter
16 20, Laws of 2010. The office of the superintendent of public
17 instruction shall include alternative learning education and dropout
18 reengagement programs in their ongoing consolidated program reviews, as
19 well as provide outreach and training to school districts regarding
20 implementation of the programs. Findings from the program reviews will
21 be used to support and prioritize office of the superintendent outreach
22 and education efforts that assist school districts in implementing the
23 programs in accordance with statute and legislative intent, as well as
24 to support financial and performance audit work conducted by the office
25 of the state auditor.

26 (b) \$1,017,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$1,017,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for activities associated with the
29 implementation of new school finance systems required by chapter 236,
30 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
31 (state's education system), including technical staff, systems
32 reprogramming, and workgroup deliberations, including the quality
33 education council and the data governance working group.

34 (c) \$1,012,000 of the general fund--state appropriation for fiscal
35 year 2014 and ~~((\$1,012,000))~~ \$1,034,000 of the general fund--state
36 appropriation for fiscal year 2015 are provided solely for the
37 operation and expenses of the state board of education, including basic
38 education assistance activities. Of these amounts, \$161,000 of the

1 general fund--state appropriation for fiscal year 2014 and \$161,000 of
2 the general fund-- state appropriation for fiscal year 2015 are
3 provided for implementation of Initiative Measure No. 1240 (charter
4 schools), and \$22,000 of the general fund--state appropriation for
5 fiscal year 2015 is provided solely for the state board of education to
6 adopt rules to implement the career and college ready graduation
7 requirement proposal adopted under board resolution on November 10,
8 2010, and revised on January 9, 2014, to take effect beginning with the
9 graduating class of 2019 as required by Engrossed Second Substitute
10 Senate Bill No. 6552 (improving student success by modifying
11 instructional hour and graduation requirements). If the bill is not
12 enacted by June 30, 2014, the amounts provided for Engrossed Second
13 Substitute Senate Bill No. 6552 shall lapse.

14 (d) \$1,325,000 of the general fund--state appropriation for fiscal
15 year 2014 and (~~(\$1,325,000)~~) \$1,453,000 of the general fund--state
16 appropriation for fiscal year 2015 are provided solely to the
17 professional educator standards board for the following:

18 (i) \$1,050,000 in fiscal year 2014 and \$1,050,000 in fiscal year
19 2015 are for the operation and expenses of the Washington professional
20 educator standards board;

21 (ii) \$250,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$250,000 of the general fund--state appropriation for
23 fiscal year 2015 are for mentor stipends provided through the
24 alternative routes to certification program administered by the
25 professional educator standards board, including the pipeline for
26 paraeducators program and the retooling to teach conditional loan
27 programs. Funding within this subsection (1)(d)(ii) is also provided
28 for the recruiting Washington teachers program; (~~and~~)

29 (iii) \$128,000 of the general fund--state appropriation for fiscal
30 year 2015 is provided solely for the purposes of Substitute Senate Bill
31 No. 6129 (paraeducator development). If the bill is not enacted by
32 June 30, 2014, the amount provided in this subsection (iii) shall
33 lapse; and

34 (iv) \$25,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$25,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for the professional educator
37 standards board to develop educator interpreter standards and identify
38 interpreter assessments that are available to school districts.

1 Interpreter assessments should meet the following criteria: (A)
2 Include both written assessment and performance assessment; (B) be
3 offered by a national organization of professional sign language
4 interpreters and transliterators; and (C) be designed to assess
5 performance in more than one sign system or sign language. The board
6 shall establish a performance standard, defining what constitutes a
7 minimum assessment result, for each educational interpreter assessment
8 identified. The board shall publicize the standards and assessments
9 for school district use.

10 (e) \$133,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$133,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for the implementation of chapter
13 240, Laws of 2010, including staffing the office of equity and civil
14 rights.

15 (f) \$50,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$50,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the ongoing work of the
18 education opportunity gap oversight and accountability committee.

19 (g) \$45,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$45,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the implementation of chapter
22 380, Laws of 2009 (enacting the interstate compact on educational
23 opportunity for military children).

24 (h) \$131,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$131,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for the implementation of
27 Initiative Measure No. 1240 (charter schools).

28 (i) \$1,826,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$1,802,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for implementing a comprehensive
31 data system to include financial, student, and educator data, including
32 development and maintenance of the comprehensive education data and
33 research system (CEDARS).

34 (j) \$25,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$25,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for project citizen, a program
37 sponsored by the national conference of state legislatures and the

1 center for civic education to promote participation in government by
2 middle school students.

3 (k) \$1,500,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$1,500,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for collaborative schools for
6 innovation and success authorized under chapter 53, Laws of 2012. The
7 office of the superintendent of public instruction shall award \$500,000
8 per year in funding for each collaborative school for innovation and
9 success selected for participation in the pilot program during 2012.

10 (l) \$123,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$123,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for implementation of chapter 163,
13 Laws of 2012 (foster care outcomes). The office of the superintendent
14 of public instruction shall annually report each December on the
15 implementation of the state's plan of cross-system collaboration to
16 promote educational stability and improve education outcomes of foster
17 youth.

18 (m) \$250,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$250,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for implementation of chapter 178,
21 Laws of 2012 (open K-12 education resources).

22 (n) \$93,000 of the general fund--state appropriation for fiscal
23 year 2014 and (~~(\$93,000)~~) \$193,000 of the general fund--state
24 appropriation for fiscal year 2015 are provided solely for chapter 185,
25 Laws of 2011 (bullying prevention, which requires the office of the
26 superintendent of public instruction to convene an ongoing workgroup on
27 school bullying and harassment prevention. Within the amounts
28 provided, (~~(\$140,000)~~) \$240,000 is for youth suicide prevention
29 activities.

30 (o) \$138,000 of the general fund--state appropriation for fiscal
31 year 2014 is provided solely for implementation of House Bill No. 1336
32 (troubled youth in school). If the bill is not enacted by June 30,
33 2013, the amounts provided in this subsection shall lapse.

34 (p) \$68,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$14,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for implementation of House Bill
37 No. 1134 (state-tribal education compacts). If the bill is not enacted
38 by June 30, 2013, the amounts provided in this subsection shall lapse.

1 (q) \$62,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$62,000 of the general fund--state appropriation for
3 fiscal year 2015 are for competitive grants to school districts to
4 increase the capacity of high schools to offer AP computer science
5 courses. In making grant allocations, the office of the superintendent
6 of public instruction must give priority to schools and districts in
7 rural areas, with substantial enrollment of low-income students, and
8 that do not offer AP computer science. School districts may apply to
9 receive either or both of the following grants:

10 (i) A grant to establish partnerships to support computer science
11 professionals from private industry serving on a voluntary basis as
12 coinstructors along with a certificated teacher, including via
13 synchronous video, for AP computer science courses; or

14 (ii) A grant to purchase or upgrade technology and curriculum
15 needed for AP computer science, as well as provide opportunities for
16 professional development for classroom teachers to have the requisite
17 knowledge and skills to teach AP computer science.

18 (r) \$27,000 of the general fund--state appropriation for fiscal
19 year 2014 is provided solely for implementation of House Bill No. 1556
20 (cardiac arrest education).

21 (s) \$50,000 of the general fund--state appropriation for fiscal
22 year 2014 is provided solely for the development of recommendations for
23 funding integrated school nursing and outreach services. The office of
24 the superintendent of public instruction shall collaborate with the
25 health care authority to develop recommendations for increasing federal
26 financial participation for providing nursing services in schools with
27 the goals of integrating nursing and outreach services and supporting
28 one nurse for every four-hundred fifty students in elementary schools
29 and one nurse for every seven-hundred fifty students in secondary
30 schools. The recommendations shall include proposals for funding
31 training and reimbursement for nurses that provide outreach services to
32 help eligible students enroll in apple health for kids and other social
33 services programs. The authority and the office of the superintendent
34 of public instruction shall provide these recommendations to the
35 governor and the legislature by December 1, 2013.

36 (t) \$50,000 of the general fund--state appropriation for fiscal
37 year 2014 is provided solely for the office of the superintendent of
38 public instruction to contract with an organization to develop a model

1 plan for evaluating the outcomes of state funded pilot education
2 programs, including guidelines for standard data that must be gathered
3 throughout any education pilot program, as well as guidance for data
4 and evaluation methods depending on the design of the program and the
5 target population. The contract must also include a provision to
6 provide guidance for the evaluation of existing pilot programs.

7 (u) \$10,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$10,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for the superintendent of public
10 instruction to convene a committee for the selection and recognition of
11 Washington innovative schools. The committee shall select and
12 recognize Washington innovative schools based on the selection criteria
13 established by the office of the superintendent of public instruction,
14 in accordance with chapter 202, Laws of 2011 (innovation schools--
15 recognition) and chapter 260, Laws of 2011 (innovation schools and
16 zones).

17 (v) \$100,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$100,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for the Mobius science center to
20 expand mobile outreach of science, technology, engineering, and
21 mathematics (STEM) education to students in rural, tribal, and
22 low-income communities.

23 (w) \$287,000 of the general fund--state appropriation for fiscal
24 year 2015 is provided solely for the purpose of developing math and
25 science equivalency curriculum and course modules for career and
26 technical education and skill center courses to allow students to
27 fulfill math and science credit requirements for graduation as required
28 by Engrossed Second Substitute Senate Bill No. 6552 (improving student
29 success by modifying instructional hour and graduation requirements).
30 If the bill is not enacted by June 30, 2014, the amount provided in
31 this subsection (w) shall lapse.

32 (2) \$200,000 of the performance audits of government account--state
33 appropriation is provided solely for a one-time workload increase to
34 address additional audit resolutions and appeals in the alternative
35 learning experience programs.

36 (3) \$10,277,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$9,565,000 of the general fund--state appropriation for
38 fiscal year 2015 are for statewide programs.

1 (a) HEALTH AND SAFETY

2 (i) \$2,541,000 of the general fund--state appropriation for fiscal
3 year 2014 and \$2,541,000 of the general fund--state appropriation for
4 fiscal year 2015 are provided solely for a corps of nurses located at
5 educational service districts, as determined by the superintendent of
6 public instruction, to be dispatched to the most needy schools to
7 provide direct care to students, health education, and training for
8 school staff.

9 (ii) \$135,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$135,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for a nonviolence and leadership
12 training program provided by the institute for community leadership.

13 (b) TECHNOLOGY

14 \$1,221,000 of the general fund--state appropriation for fiscal year
15 2014 and \$1,221,000 of the general fund--state appropriation for fiscal
16 year 2015 are provided solely for K-20 telecommunications network
17 technical support in the K-12 sector to prevent system failures and
18 avoid interruptions in school utilization of the data processing and
19 video-conferencing capabilities of the network. These funds may be
20 used to purchase engineering and advanced technical support for the
21 network.

22 (c) GRANTS AND ALLOCATIONS

23 (i) \$1,875,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$1,875,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for the Washington state achievers
26 scholarship program. The funds shall be used to support community
27 involvement officers that recruit, train, and match community volunteer
28 mentors with students selected as achievers scholars.

29 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$1,000,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for contracting with a college
32 scholarship organization with expertise in conducting outreach to
33 students concerning eligibility for the Washington college bound
34 scholarship consistent with chapter 405, Laws of 2007.

35 (iii) \$1,000,000 of the general fund--state appropriation for
36 fiscal year 2014 and \$1,000,000 of the general fund--state
37 appropriation for fiscal year 2015 are provided solely for dropout
38 prevention, intervention, and reengagement programs, including the jobs

1 for America's graduates (JAG) program and the building bridges
2 statewide program. Starting in school year 2014-15 students in the
3 foster care system or who are homeless shall be given priority by
4 districts offering the jobs for America's graduates program. The
5 office of the superintendent of public instruction shall convene staff
6 representatives from high schools to meet and share best practices for
7 dropout prevention.

8 (iv) \$2,112,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$1,400,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the implementation of chapter
11 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the
12 development and implementation of the Washington kindergarten inventory
13 of developing skills (WaKIDS).

14 (v) \$100,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$100,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely to subsidize advanced placement
17 exam fees and international baccalaureate class fees and exam fees for
18 low-income students. To be eligible for the subsidy, a student must be
19 either enrolled or eligible to participate in the federal free or
20 reduced price lunch program, and the student must have maximized the
21 allowable federal contribution. The office of the superintendent of
22 public instruction shall set the subsidy in an amount so that the
23 advanced placement exam fee does not exceed \$15.00 and the combined
24 class and exam fee for the international baccalaureate does not exceed
25 \$14.50.

26 (vi) \$293,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$293,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for the office of the
29 superintendent of public instruction to support (~~the dissemination of~~
30 ~~the navigation 101 curriculum to all districts~~) district
31 implementation of comprehensive guidance and planning programs
32 consistent with RCW 28A.600.045.

33 **Sec. 502.** 2013 2nd sp.s. c 4 s 502 (uncodified) is amended to read
34 as follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
36 **APPORTIONMENT**

37 General Fund--State Appropriation (FY 2014) ((\$5,395,289,000))

1		<u>\$5,386,820,000</u>
2	General Fund--State Appropriation (FY 2015)	((\$5,581,336,000))
3		<u>\$5,632,857,000</u>
4	Education Legacy Trust Account--State	
5	Appropriation	\$328,563,000
6	TOTAL APPROPRIATION	((\$11,305,188,000))
7		<u>\$11,348,240,000</u>

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

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

13 (b) For the 2013-14 and 2014-15 school years, the superintendent
14 shall allocate general apportionment funding to school districts as
15 provided in the funding formulas and salary schedules in sections 502
16 and 503 of this act, excluding (c) of this subsection.

17 (c) From July 1, 2013, to August 31, 2013, the superintendent shall
18 allocate general apportionment funding to school districts programs as
19 provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp.
20 sess., as amended.

21 (d) The enrollment of any district shall be the annual average
22 number of full-time equivalent students and part-time students as
23 provided in RCW 28A.150.350, enrolled on the fourth day of school in
24 September and on the first school day of each month October through
25 June, including students who are in attendance pursuant to RCW
26 28A.335.160 and 28A.225.250 who do not reside within the servicing
27 school district. Any school district concluding its basic education
28 program in May must report the enrollment of the last school day held
29 in May in lieu of a June enrollment.

30 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

31 Allocations for certificated instructional staff salaries for the
32 2013-14 and 2014-15 school years are determined using formula-generated
33 staff units calculated pursuant to this subsection.

34 (a) Certificated instructional staff units, as defined in RCW
35 28A.150.410, shall be allocated to reflect the minimum class size
36 allocations, requirements, and school prototypes assumptions as
37 provided in RCW 28A.150.260, except that the allocation for guidance
38 counselors in a middle school shall be 1.216 and for school year 2013-

1 14 the allocation for guidance counselors in a high school shall be
 2 2.009, which enhancements are within the program of basic education.
 3 The superintendent shall make allocations to school districts based on
 4 the district's annual average full-time equivalent student enrollment
 5 in each grade.

6 (b) Additional certificated instructional staff units provided in
 7 this subsection (2) that exceed the minimum requirements in RCW
 8 28A.150.260 are enhancements outside the program of basic education,
 9 except as otherwise provided in this section.

10 (c)(i) The superintendent shall base allocations for each level of
 11 prototypical school on the following regular education average class
 12 size of full-time equivalent students per teacher, except as provided
 13 in (c)(ii) of this subsection:

14

15 General education class size:

16	Grade	RCW 28A.150.260	2013-14	2014-15
17			School Year	School Year
18	Grades K-3	.....	25.23	25.23
19	Grade 4	.....	27.00	27.00
20	Grades 5-6	.....	27.00	27.00
21	Grades 7-8	.....	28.53	28.53
22	Grades 9-12	.....	28.74	28.74

23 The superintendent shall base allocations for laboratory science,
 24 career and technical education (CTE) and skill center programs average
 25 class size as provided in RCW 28A.150.260.

26 (ii) For each level of prototypical school at which more than fifty
 27 percent of the students were eligible for free and reduced-price meals
 28 in the prior school year, the superintendent shall allocate funding
 29 based on the following average class size of full-time equivalent
 30 students per teacher:

31 (A) General education class size in high poverty schools:

32	Grade	RCW 28A.150.260
33	Grade 2	..... 24.10

1	Grade 3	.....	24.10
2	Grade 4	.....	27.00
3	Grades 5-6	.....	27.00
4	Grades 7-8	.....	28.53
5	Grades 9-12	.....	28.74

6 (B) For grades K-1, class size of 20.85 is provided for high
7 poverty schools for the 2013-14 school year;

8 (C) For grades K through 1, the superintendent shall, at a minimum,
9 allocate funding to high-poverty schools for the 2014-15 school year
10 based on an average class size of 24.10 full-time equivalent students
11 per teacher. The superintendent shall provide enhanced funding for
12 class size reduction in grades K through 1 to the extent of, and
13 proportionate to, the school's demonstrated actual average class size
14 up to a class size of 20.30 full-time equivalent students per teacher.
15 The office of the superintendent of public instruction shall develop
16 rules to implement the enhanced funding authorized under (ii)(C) of
17 this subsection and shall distribute draft rules for review no later
18 than December 1, 2013. The office of the superintendent of public
19 instruction shall report the draft rules and proposed methodology to
20 the governor and the appropriate policy and fiscal committees of the
21 legislature by December 1, 2013.

22 (D) The enhancement in this subsection (2)(c)(ii) is within the
23 program of basic education.

24 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
25 planning period, expressed as a percentage of a teacher work day, is
26 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

27 (iv) (~~Laboratory science,~~) Advanced placement(~~(7)~~) and
28 international baccalaureate courses are funded at the same class size
29 assumptions as general education schools in the same grade; and

30 (d)(i) Funding for teacher librarians, school nurses, social
31 workers, school psychologists, and guidance counselors is allocated
32 based on the school prototypes as provided in RCW 28A.150.260 and (a)
33 of this subsection and is considered certificated instructional staff,
34 except as provided in (d)(ii) of this subsection.

35 (ii) Students in approved career and technical education and skill
36 center programs generate certificated instructional staff units to

1 provide for the services of teacher librarians, school nurses, social
 2 workers, school psychologists, and guidance counselors at the following
 3 combined rate per 1000 student((s)) full-time equivalent enrollment:

4 ((~~Career and Technical Education~~
 5 ~~students 2.02 per 1000 student FTE's~~
 6 ~~Skill Center students 2.36 per 1000 student FTE's~~))

	<u>2013-14 School</u>	<u>2014-15 School</u>
	<u>Year</u>	<u>Year</u>
<u>Career and</u>	<u>2.02</u>	<u>2.72</u>
<u>Technical</u>		
<u>Education</u>		
<u>Skill Center</u>	<u>2.36</u>	<u>3.06</u>

13 (3) ADMINISTRATIVE STAFF ALLOCATIONS

14 (a) Allocations for school building-level certificated
 15 administrative staff salaries for the 2013-14 and 2014-15 school years
 16 for general education students are determined using the formula
 17 generated staff units calculated pursuant to this subsection. The
 18 superintendent shall make allocations to school districts based on the
 19 district's annual average full-time equivalent enrollment in each
 20 grade. The following prototypical school values shall determine the
 21 allocation for principals, assistance principals, and other
 22 certificated building level administrators:

23 Prototypical School Building:

Elementary School	..... 1.253
Middle School	..... 1.353
High School	..... 1.880

27 (b) Students in approved career and technical education and skill
 28 center programs generate certificated school building-level
 29 administrator staff units at per student rates that are a multiple of
 30 the general education rate in (a) of this subsection by the following
 31 factors: Career and Technical Education students 1.025
 32 Skill Center students 1.198

1 (4) CLASSIFIED STAFF ALLOCATIONS

2 Allocations for classified staff units providing school building-
3 level and district-wide support services for the 2013-14 and 2014-15
4 school years are determined using the formula-generated staff units
5 provided in RCW 28A.150.260, and adjusted based on each district's
6 annual average full-time equivalent student enrollment in each grade,
7 except that the allocation for parent involvement coordinators in an
8 elementary school shall be 0.0825, which enhancement is within the
9 program of basic education.

10 (5) CENTRAL OFFICE ALLOCATIONS

11 In addition to classified and administrative staff units allocated
12 in subsections (3) and (4) of this section, classified and
13 administrative staff units are provided for the 2013-14 and 2014-15
14 school year for the central office administrative costs of operating a
15 school district, at the following rates:

16 (a) The total central office staff units provided in this
17 subsection (5) are calculated by first multiplying the total number of
18 eligible certificated instructional, certificated administrative, and
19 classified staff units providing school-based or district-wide support
20 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

21 (b) Of the central office staff units calculated in (a) of this
22 subsection, 74.53 percent are allocated as classified staff units, as
23 generated in subsection (4) of this section, and 25.47 percent shall be
24 allocated as administrative staff units, as generated in subsection (3)
25 of this section.

26 (c) Staff units generated as enhancements outside the program of
27 basic education to the minimum requirements of RCW 28A.150.260, and
28 staff units generated by skill center and career-technical students,
29 are excluded from the total central office staff units calculation in
30 (a) of this subsection.

31 (d) For students in approved career-technical and skill center
32 programs, central office classified units are allocated at the same
33 staff unit per student rate as those generated for general education
34 students of the same grade in this subsection (5), and central office
35 administrative staff units are allocated at staff unit per student
36 rates that exceed the general education rate established for students
37 in the same grade in this subsection (5) by 1.71 percent in the 2013-14
38 school year and 2.00 percent in the 2014-15 school year for career and

1 technical education students, and ((~~21.60~~)) 21.57 percent in the 2013-
2 14 school year and ((~~15.98~~)) 18.20 percent in the 2014-15 school year
3 for skill center students.

4 (6) FRINGE BENEFIT ALLOCATIONS

5 Fringe benefit allocations shall be calculated at a rate of 18.68
6 percent in the 2013-14 school year and 18.68 percent in the 2014-15
7 school year for certificated salary allocations provided under
8 subsections (2), (3), and (5) of this section, and a rate of 20.95
9 percent in the 2013-14 school year and 20.95 percent in the 2014-15
10 school year for classified salary allocations provided under
11 subsections (4) and (5) of this section.

12 (7) INSURANCE BENEFIT ALLOCATIONS

13 Insurance benefit allocations shall be calculated at the
14 maintenance rate specified in section 504 of this act, based on the
15 number of benefit units determined as follows:

16 (a) The number of certificated staff units determined in
17 subsections (2), (3), and (5) of this section; and

18 (b) The number of classified staff units determined in subsections
19 (4) and (5) of this section multiplied by 1.152. This factor is
20 intended to adjust allocations so that, for the purposes of
21 distributing insurance benefits, full-time equivalent classified
22 employees may be calculated on the basis of 1440 hours of work per
23 year, with no individual employee counted as more than one full-time
24 equivalent.

25 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

26 Funding is allocated per annual average full-time equivalent
27 student for the materials, supplies, and operating costs (MSOC)
28 incurred by school districts, consistent with the requirements of RCW
29 28A.150.260.

30 (a) MSOC funding for general education students are allocated at
31 the following per student rates:

32 MSOC RATES/STUDENT FTE

33

MSOC Component	2013-14 SCHOOL YEAR	2014-15 SCHOOL YEAR
Technology	\$77.46	(\$82.16) <u>\$125.92</u>
Utilities and Insurance	\$210.46	\$223.23
Curriculum and Textbooks	\$83.17	\$88.21
Other Supplies and Library Materials	\$176.56	\$187.27
Instructional Professional Development for Certificated and Classified Staff	\$12.86	\$13.64
Facilities Maintenance	\$104.27	\$110.59
Security and Central Office	\$72.24	\$76.62
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$737.02	(\$781.72) <u>\$825.48</u>

(b) Students in approved skill center programs generate per student FTE MSOC allocations of \$1,244.25 for the 2013-14 school year and ~~(\$1,262.92)~~ \$1,260.41 for the 2014-15 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation of \$1,399.30 for the 2013-14 school year and ~~(\$1,420.29)~~ \$1,417.48 for the 2014-15 school year.

~~(d) ((Students in laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.))~~ Students in grades 9-12 generate per student FTE MSOC allocations in addition to the allocation provided in (a) of this subsection at the following rate:

	<u>2014-15 SCHOOL YEAR</u>
<u>Technology</u>	<u>\$36.35</u>
<u>Curriculum and Textbooks</u>	<u>\$39.02</u>
<u>Other Supplies and Library Materials</u>	<u>\$82.84</u>
<u>Instructional Professional Development for Certificated and Classified Staff</u>	<u>\$6.04</u>
<u>TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE</u>	<u>\$164.25</u>

(9) SUBSTITUTE TEACHER ALLOCATIONS
For the 2013-14 and 2014-15 school years, funding for substitute

1 costs for classroom teachers is based on four (4) funded substitute
2 days per classroom teacher unit generated under subsection (2) of this
3 section, at a daily substitute rate of \$151.86.

4 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

5 (a) Amounts provided in this section from July 1, 2013, to August
6 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of
7 2011 1st sp. sess. (allocation of funding for funding for students
8 enrolled in alternative learning experiences).

9 (b) Amounts provided in this section beginning September 1, 2013,
10 are adjusted to reflect modifications to alternative learning
11 experience courses in Engrossed Substitute Senate Bill No. 5946
12 (student educational outcomes).

13 (c) The superintendent of public instruction shall require all
14 districts receiving general apportionment funding for alternative
15 learning experience (ALE) programs as defined in WAC 392-121-182 to
16 provide separate financial accounting of expenditures for the ALE
17 programs offered in district or with a provider, including but not
18 limited to private companies and multidistrict cooperatives, as well as
19 accurate, monthly headcount and FTE enrollment claimed for basic
20 education, including separate counts of resident and nonresident
21 students.

22 (11) DROPOUT REENGAGEMENT PROGRAM FUNDING

23 Starting with the 2014-15 school year, the superintendent of public
24 instruction shall require all districts claiming general apportionment
25 funding for dropout reengagement programs authorized under RCW
26 28A.175.100 through 28A.175.115 to meet minimum weekly instructional
27 contact requirements. The superintendent shall revise its rules
28 accordingly to implement this subsection. Districts must also provide
29 separate financial accounting of expenditures for the open door
30 programs offered in district or with a provider, as well as accurate,
31 monthly headcount and FTE enrollment claimed for basic education,
32 including separate counts of resident and nonresident students.

33 (12) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

34 Funding in this section is sufficient to fund voluntary full day
35 kindergarten programs in qualifying high poverty schools, pursuant to
36 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
37 for the voluntary full-day program in a qualifying school shall count

1 as one-half of one full-time equivalent student for purpose of making
2 allocations under this section. Funding in this section provides full-
3 day kindergarten programs for 43.75 percent of kindergarten enrollment
4 in the 2013-14 school year and 43.75 percent in the 2014-15 school
5 year, which enhancement is within the program of basic education.

6 ~~((12) INCREASED INSTRUCTIONAL HOURS FOR GRADES SEVEN THROUGH~~
7 ~~TWELVE~~

8 ~~(a) School districts shall implement the increased instructional~~
9 ~~hours for the instructional program of basic education required under~~
10 ~~the provisions of RCW 28A.150.220(2)(a) beginning with the 2014-15~~
11 ~~school year, which enhancement is within the program of basic~~
12 ~~education.~~

13 ~~(b) Amounts provided in this section are sufficient to fund~~
14 ~~increased instructional hours in grades seven through twelve. For the~~
15 ~~2014-15 school year, the superintendent shall allocate funding to~~
16 ~~school districts for increased instructional hours. In calculating the~~
17 ~~allocations, the superintendent shall assume the following averages:~~
18 ~~(a) Additional instruction of 2.2222 hours per week per full-time~~
19 ~~equivalent student in grades seven through twelve in school year 2014-~~
20 ~~15; (b) the general education average class sizes specified in section~~
21 ~~502(2)(c); (c) 36 instructional weeks per year; (d) 900 instructional~~
22 ~~hours per teacher; and (e) the district's average staff mix and~~
23 ~~compensation rates as provided in sections 503 and 504 of this act.)~~

24 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
25 NECESSARY PLANTS

26 For small school districts and remote and necessary school plants
27 within any district which have been judged to be remote and necessary
28 by the superintendent of public instruction, additional staff units are
29 provided to ensure a minimum level of staffing support. Additional
30 administrative and certificated instructional staff units provided to
31 districts in this subsection shall be reduced by the general education
32 staff units, excluding career and technical education and skills center
33 enhancement units, otherwise provided in subsections (2) through (5) of
34 this section on a per district basis.

35 (a) For districts enrolling not more than twenty-five average
36 annual full-time equivalent students in grades K-8, and for small
37 school plants within any school district which have been judged to be

1 remote and necessary by the superintendent of public instruction and
2 enroll not more than twenty-five average annual full-time equivalent
3 students in grades K-8:

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

9 (ii) For those enrolling students in grades 7 or 8, 1.68
10 certificated instructional staff units and 0.32 certificated
11 administrative staff units for enrollment of not more than five
12 students, plus one-tenth of a certificated instructional staff unit for
13 each additional student enrolled;

14 (b) For specified enrollments in districts enrolling more than
15 twenty-five but not more than one hundred average annual full-time
16 equivalent students in grades K-8, and for small school plants within
17 any school district which enroll more than twenty-five average annual
18 full-time equivalent students in grades K-8 and have been judged to be
19 remote and necessary by the superintendent of public instruction:

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

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

26 (c) For districts operating no more than two high schools with
27 enrollments of less than three hundred average annual full-time
28 equivalent students, for enrollment in grades 9-12 in each such school,
29 other than alternative schools, except as noted in this subsection:

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

35 (ii) For all other small high schools under this subsection, nine
36 certificated instructional staff units and one-half of a certificated
37 administrative staff unit for the first sixty average annual full-time
38 equivalent students, and additional staff units based on a ratio of

1 0.8732 certificated instructional staff units and 0.1268 certificated
2 administrative staff units per each additional forty-three and one-half
3 average annual full-time equivalent students;

4 (iii) Districts receiving staff units under this subsection shall
5 add students enrolled in a district alternative high school and any
6 grades nine through twelve alternative learning experience programs
7 with the small high school enrollment for calculations under this
8 subsection;

9 (d) For each nonhigh school district having an enrollment of more
10 than seventy annual average full-time equivalent students and less than
11 one hundred eighty students, operating a grades K-8 program or a grades
12 1-8 program, an additional one-half of a certificated instructional
13 staff unit;

14 (e) For each nonhigh school district having an enrollment of more
15 than fifty annual average full-time equivalent students and less than
16 one hundred eighty students, operating a grades K-6 program or a grades
17 1-6 program, an additional one-half of a certificated instructional
18 staff unit;

19 (f)(i) For enrollments generating certificated staff unit
20 allocations under (a) through (e) of this subsection, one classified
21 staff unit for each 2.94 certificated staff units allocated under such
22 subsections;

23 (ii) For each nonhigh school district with an enrollment of more
24 than fifty annual average full-time equivalent students and less than
25 one hundred eighty students, an additional one-half of a classified
26 staff unit; and

27 (g) School districts receiving additional staff units to support
28 small student enrollments and remote and necessary plants under this
29 subsection (12) shall generate additional MSOC allocations consistent
30 with the nonemployee related costs (NERC) allocation formula in place
31 for the 2010-11 school year as provided in section 502, chapter 37,
32 Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted
33 annually for inflation.

34 (14) Any school district board of directors may petition the
35 superintendent of public instruction by submission of a resolution
36 adopted in a public meeting to reduce or delay any portion of its basic
37 education allocation for any school year. The superintendent of public
38 instruction shall approve such reduction or delay if it does not impair

1 the district's financial condition. Any delay shall not be for more
2 than two school years. Any reduction or delay shall have no impact on
3 levy authority pursuant to RCW 84.52.0531 and local effort assistance
4 pursuant to chapter 28A.500 RCW.

5 (15) The superintendent may distribute funding for the following
6 programs outside the basic education formula during fiscal years 2014
7 and 2015 as follows:

8 (a) \$605,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$614,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for fire protection for school
11 districts located in a fire protection district as now or hereafter
12 established pursuant to chapter 52.04 RCW.

13 (b) \$436,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$436,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for programs providing skills
16 training for secondary students who are enrolled in extended day
17 school-to-work programs, as approved by the superintendent of public
18 instruction. The funds shall be allocated at a rate not to exceed \$500
19 per full-time equivalent student enrolled in those programs.

20 (16) \$214,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$217,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for school district emergencies as
23 certified by the superintendent of public instruction. At the close of
24 the fiscal year the superintendent of public instruction shall report
25 to the office of financial management and the appropriate fiscal
26 committees of the legislature on the allocations provided to districts
27 and the nature of the emergency.

28 (17) Funding in this section is sufficient to fund a maximum of 1.6
29 FTE enrollment for skills center students pursuant to chapter 463, Laws
30 of 2007.

31 (18) Students participating in running start programs may be funded
32 up to a combined maximum enrollment of 1.2 FTE including school
33 district and institution of higher education enrollment. In
34 calculating the combined 1.2 FTE, the office of the superintendent of
35 public instruction may average the participating student's September
36 through June enrollment to account for differences in the start and end
37 dates for courses provided by the high school and higher education
38 institution. Additionally, the office of the superintendent of public

1 instruction, in consultation with the state board for community and
2 technical colleges, the student achievement council, and the education
3 data center, shall annually track and report to the fiscal committees
4 of the legislature on the combined FTE experience of students
5 participating in the running start program, including course load
6 analyses at both the high school and community and technical college
7 system.

8 (19) If two or more school districts consolidate and each district
9 was receiving additional basic education formula staff units pursuant
10 to subsection (12) of this section, the following apply:

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

15 (b) For the fourth through eighth school years following
16 consolidation, the difference between the basic education formula staff
17 units received by the districts for the school year prior to
18 consolidation and the basic education formula staff units after
19 consolidation pursuant to subsection (12) of this section shall be
20 reduced in increments of twenty percent per year.

21 (20)(a) Indirect cost charges by a school district to approved
22 career and technical education middle and secondary programs shall not
23 exceed 15 percent of the combined basic education and career and
24 technical education program enhancement allocations of state funds.
25 Middle and secondary career and technical education programs are
26 considered separate programs for funding and financial reporting
27 purposes under this section.

28 (b) Career and technical education program full-time equivalent
29 enrollment shall be reported on the same monthly basis as the
30 enrollment for students eligible for basic support, and payments shall
31 be adjusted for reported career and technical education program
32 enrollments on the same monthly basis as those adjustments for
33 enrollment for students eligible for basic support.

34 **Sec. 503.** 2013 2nd sp.s. c 4 s 505 (uncodified) is amended to read
35 as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**
37 General Fund--State Appropriation (FY 2014) (~~(\$365,120,000)~~)

1		<u>\$365,048,000</u>
2	General Fund--State Appropriation (FY 2015)	((\$427,408,000))
3		<u>\$428,754,000</u>
4	TOTAL APPROPRIATION	((\$792,528,000))
5		<u>\$793,802,000</u>

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

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

11 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
12 shall allocate funding to school district programs for the
13 transportation of eligible students as provided in RCW 28A.160.192 or
14 for approved schools and eligible students as provided in RCW
15 28A.710.220(3). Students are considered eligible only if meeting the
16 definitions provided in RCW 28A.160.160. Funding in this section for
17 school year 2014-15 constitutes full implementation of RCW 28A.160.192,
18 which enhancement is within the program of basic education.

19 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
20 allocate funding to school districts programs for the transportation of
21 students as provided in section 505, chapter 50, Laws of 2011 1st sp.
22 sess., as amended.

23 (3) A maximum of \$892,000 of this fiscal year 2014 appropriation
24 and a maximum of \$892,000 of the fiscal year 2015 appropriation may be
25 expended for regional transportation coordinators and related
26 activities. The transportation coordinators shall ensure that data
27 submitted by school districts for state transportation funding shall,
28 to the greatest extent practical, reflect the actual transportation
29 activity of each district.

30 (4) The office of the superintendent of public instruction shall
31 provide reimbursement funding to a school district for school bus
32 purchases only after the superintendent of public instruction
33 determines that the school bus was purchased from the list established
34 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
35 based on the lowest price quote based on similar bus categories to
36 those used to establish the list pursuant to RCW 28A.160.195.

37 (5) The superintendent of public instruction shall base
38 depreciation payments for school district buses on the pre-sales tax

1 five-year average of lowest bids in the appropriate category of bus.
2 In the final year on the depreciation schedule, the depreciation
3 payment shall be based on the lowest bid in the appropriate bus
4 category for that school year.

5 (6) Funding levels in this section reflect waivers granted by the
6 state board of education for four-day school weeks as allowed under RCW
7 28A.305.141.

8 (7) The office of the superintendent of public instruction shall
9 annually disburse payments for bus depreciation in August.

10 **Sec. 504.** 2013 2nd sp.s. c 4 s 506 (uncodified) is amended to read
11 as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
13 **PROGRAMS**

14	General Fund--State Appropriation (FY 2014)	\$7,111,000
15	General Fund--State Appropriation (FY 2015)	\$7,111,000
16	General Fund--Federal Appropriation	(\$473,326,000)
17		<u>\$501,326,000</u>
18	TOTAL APPROPRIATION	(\$487,548,000)
19		<u>\$515,548,000</u>

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

22 (1) \$7,111,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$7,111,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for state matching money for
25 federal child nutrition programs, and may support the meals for kids
26 program through the following allowable uses:

27 (a) Elimination of breakfast copays for eligible public school
28 students and lunch copays for eligible public school students in grades
29 kindergarten through third grade who are eligible for reduced price
30 lunch;

31 (b) Assistance to school districts and authorized public and
32 private nonprofit organizations for supporting summer food service
33 programs, and initiating new summer food service programs in low-income
34 areas;

35 (c) Reimbursements to school districts for school breakfasts served
36 to students eligible for free and reduced price lunch, pursuant to
37 chapter 287, Laws of 2005; and

1 (d) Assistance to school districts in initiating and expanding
2 school breakfast programs.

3 The office of the superintendent of public instruction shall report
4 annually to the fiscal committees of the legislature on annual
5 expenditures in (a), (b), and (c) of this subsection.

6 **Sec. 505.** 2013 2nd sp.s. c 4 s 507 (uncodified) is amended to read
7 as follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
9 **PROGRAMS**

10	General Fund--State Appropriation (FY 2014)	((\$702,149,000))
11		<u>\$693,894,000</u>
12	General Fund--State Appropriation (FY 2015)	((\$738,043,000))
13		<u>\$739,998,000</u>
14	General Fund--Federal Appropriation	((\$462,022,000))
15		<u>\$476,122,000</u>
16	Education Legacy Trust Account--State Appropriation	\$46,151,000
17	TOTAL APPROPRIATION	((\$1,948,365,000))
18		<u>\$1,956,165,000</u>

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

21 (1) Funding for special education programs is provided on an excess
22 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
23 that special education students as a class receive their full share of
24 the general apportionment allocation accruing through sections 502 and
25 504 of this act. To the extent a school district cannot provide an
26 appropriate education for special education students under chapter
27 28A.155 RCW through the general apportionment allocation, it shall
28 provide services through the special education excess cost allocation
29 funded in this section.

30 (2)(a) The superintendent of public instruction shall ensure that:

- 31 (i) Special education students are basic education students first;
- 32 (ii) As a class, special education students are entitled to the
- 33 full basic education allocation; and
- 34 (iii) Special education students are basic education students for
- 35 the entire school day.

36 (b) The superintendent of public instruction shall continue to

1 implement the full cost method of excess cost accounting, as designed
2 by the committee and recommended by the superintendent, pursuant to
3 section 501(1)(k), chapter 372, Laws of 2006.

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

7 (4)(a) For the 2013-14 and 2014-15 school years, the superintendent
8 shall allocate funding to school district programs for special
9 education students as provided in RCW 28A.150.390, except that the
10 calculation of the base allocation also includes allocations (~~for~~
11 ~~increased instructional hours for grades seven through twelve as~~)
12 provided under section 502(~~(+12)(b)~~) (2)(a) and (4), which enhancement
13 is within the program of basic education.

14 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
15 allocate funding to school district programs for special education
16 students as provided in section 507, chapter 50, Laws of 2011 1st sp.
17 sess., as amended.

18 (5) The following applies throughout this section: The definitions
19 for enrollment and enrollment percent are as specified in RCW
20 28A.150.390(3). Each district's general fund--state funded special
21 education enrollment shall be the lesser of the district's actual
22 enrollment percent or 12.7 percent.

23 (6) At the request of any interdistrict cooperative of at least 15
24 districts in which all excess cost services for special education
25 students of the districts are provided by the cooperative, the maximum
26 enrollment percent shall be calculated in accordance with RCW
27 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
28 rather than individual district units. For purposes of this
29 subsection, the average basic education allocation per full-time
30 equivalent student shall be calculated in the aggregate rather than
31 individual district units.

32 (7) (~~(\$22,263,000)~~) \$17,578,000 of the general fund--state
33 appropriation for fiscal year 2014, (~~(\$34,392,000)~~) \$29,948,000 of the
34 general fund--state appropriation for fiscal year 2015, and \$29,574,000
35 of the general fund--federal appropriation are provided solely for
36 safety net awards for districts with demonstrated needs for special
37 education funding beyond the amounts provided in subsection (4) of this
38 section. If the federal safety net awards based on the federal

1 eligibility threshold exceed the federal appropriation in this
2 subsection (7) in any fiscal year, the superintendent shall expend all
3 available federal discretionary funds necessary to meet this need. At
4 the conclusion of each school year, the superintendent shall recover
5 safety net funds that were distributed prospectively but for which
6 districts were not subsequently eligible.

7 (a) For the 2013-14 and 2014-15 school years, safety net funds
8 shall be awarded by the state safety net oversight committee as
9 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

10 (b) The office of the superintendent of public instruction shall
11 make award determinations for state safety net funding in August of
12 each school year. Determinations on school district eligibility for
13 state safety net awards shall be based on analysis of actual
14 expenditure data from the current school year.

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

20 (9) The superintendent shall maintain the percentage of federal
21 flow-through to school districts at 85 percent. In addition to other
22 purposes, school districts may use increased federal funds for high-
23 cost students, for purchasing regional special education services from
24 educational service districts, and for staff development activities
25 particularly relating to inclusion issues.

26 (10) A school district may carry over from one year to the next
27 year up to 10 percent of the general fund--state funds allocated under
28 this program; however, carryover funds shall be expended in the special
29 education program.

30 (11) \$252,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$252,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for two additional full-time
33 equivalent staff to support the work of the safety net committee and to
34 provide training and support to districts applying for safety net
35 awards.

36 (12) \$50,000 of the general fund--state appropriation for fiscal
37 year 2014, \$50,000 of the general fund--state appropriation for fiscal

1 year 2015, and \$100,000 of the general fund--federal appropriation
2 shall be expended to support a special education ombudsman program
3 within the office of superintendent of public instruction.

4 **Sec. 506.** 2013 2nd sp.s. c 4 s 508 (uncodified) is amended to read
5 as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
7 **DISTRICTS**

8	General Fund--State Appropriation (FY 2014)	((\$8,143,000))
9		<u>\$8,121,000</u>
10	General Fund--State Appropriation (FY 2015)	((\$8,151,000))
11		<u>\$8,124,000</u>
12	TOTAL APPROPRIATION	((\$16,294,000))
13		<u>\$16,245,000</u>

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

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

19 (2) Funding within this section is provided for regional
20 professional development related to mathematics and science curriculum
21 and instructional strategies aligned with common core state standards
22 and next generation science standards. Funding shall be distributed
23 among the educational service districts in the same proportion as
24 distributions in the 2007-2009 biennium. Each educational service
25 district shall use this funding solely for salary and benefits for a
26 certificated instructional staff with expertise in the appropriate
27 subject matter and in professional development delivery, and for
28 travel, materials, and other expenditures related to providing regional
29 professional development support.

30 (3) The educational service districts, at the request of the state
31 board of education pursuant to RCW 28A.310.010 and 28A.305.130, may
32 receive and screen applications for school accreditation, conduct
33 school accreditation site visits pursuant to state board of education
34 rules, and submit to the state board of education post-site visit
35 recommendations for school accreditation. The educational service
36 districts may assess a cooperative service fee to recover actual plus
37 reasonable indirect costs for the purposes of this subsection.

1 based on the institution's annual average full-time equivalent student
2 enrollment. Staffing ratios for each category of institution shall
3 remain the same as those funded in the 1995-97 biennium.

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

7 (5) (~~(\$1,070,000)~~) \$569,000 of the general fund--state
8 appropriation for fiscal year 2014 and (~~(\$1,070,000)~~) \$569,000 of the
9 general fund--state appropriation for fiscal year 2015 are provided
10 solely to maintain at least one certificated instructional staff and
11 related support services at an institution whenever the K-12 enrollment
12 is not sufficient to support one full-time equivalent certificated
13 instructional staff to furnish the educational program. The following
14 types of institutions are included: Residential programs under the
15 department of social and health services for developmentally disabled
16 juveniles, programs for juveniles under the department of corrections,
17 programs for juveniles under the juvenile rehabilitation
18 administration, and programs for juveniles operated by city and county
19 jails.

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

22 **Sec. 509.** 2013 2nd sp.s. c 4 s 511 (uncodified) is amended to read
23 as follows:

24 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

25	General Fund--State Appropriation (FY 2014)	((\$9,555,000))
26		<u>\$9,539,000</u>
27	General Fund--State Appropriation (FY 2015)	((\$9,677,000))
28		<u>\$9,685,000</u>
29	TOTAL APPROPRIATION	((\$19,232,000))
30		<u>\$19,224,000</u>

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

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

36 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
37 shall allocate funding to school district programs for highly capable

1 students as provided in RCW 28A.150.260(10)(c). In calculating the
2 allocations, the superintendent shall assume the following: (i)
3 Additional instruction of 2.1590 hours per week per funded highly
4 capable program student; (ii) fifteen highly capable program students
5 per teacher; (iii) 36 instructional weeks per year; (iv) 900
6 instructional hours per teacher; and (v) the district's average staff
7 mix and compensation rates as provided in sections 503 and 504 of this
8 act.

9 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
10 allocate funding to school districts programs for highly capable
11 students as provided in section 511, chapter 50, Laws of 2011 1st sp.
12 sess., as amended.

13 (3) \$85,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$85,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the centrum program at Fort
16 Worden state park.

17 **Sec. 510.** 2013 2nd sp.s. c 4 s 512 (uncodified) is amended to read
18 as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS--NO**
20 **CHILD LEFT BEHIND ACT**

21 General Fund--Federal Appropriation ((~~\$4,052,000~~))
22 \$4,302,000

23 **Sec. 511.** 2013 2nd sp.s. c 4 s 513 (uncodified) is amended to read
24 as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
26 **PROGRAMS**

27 General Fund--State Appropriation (FY 2014) ((~~\$121,840,000~~))
28 \$114,798,000

29 General Fund--State Appropriation (FY 2015) ((~~\$104,524,000~~))
30 \$99,558,000

31 General Fund--Federal Appropriation ((~~\$206,234,000~~))
32 \$217,834,000

33 General Fund--Private/Local Appropriation \$4,002,000
34 Education Legacy Trust Account--State

35 Appropriation \$1,599,000

36 TOTAL APPROPRIATION ((~~\$438,199,000~~))

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

(1)(a) (~~(\$44,575,000)~~) \$38,031,000 of the general fund--state appropriation for fiscal year 2014, (~~(\$27,134,000)~~) \$22,806,000 of the general fund--state appropriation for fiscal year 2015, \$1,350,000 of the education legacy trust account--state appropriation, and \$15,868,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington state assessment system, including: (i) Development and implementation of retake assessments for high school students who are not successful in one or more content areas and (ii) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student assessment results, on or around June 10th of each year. State funding to districts shall be limited to one collection of evidence payment per student, per content-area assessment.

(b) The superintendent of public instruction shall modify the statewide student assessment system and implement assessments developed with a multistate consortium beginning in the 2014-15 school year to assess student proficiency on the standards adopted under RCW 28A.655.071 and including the provisions of House Bill No. 1450.

(c) Within the amounts provided in this section, the superintendent of public instruction shall develop and administer the biology collection of evidence.

(d) Within the amounts provided in this section, the superintendent of public instruction shall create an alternative assessment for students with the most significant cognitive challenges that is aligned to the common core state standards.

(2) \$356,000 of the general fund--state appropriation for fiscal year 2014 and \$356,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional

1 partnership activities coordinated at the Pacific science center,
2 including instructional material purchases, teacher and principal
3 professional development, and school and community engagement events.

4 (3) \$5,851,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$3,935,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for implementation of a new
7 performance-based evaluation for certificated educators and other
8 activities as provided in chapter 235, Laws of 2010 (education reform)
9 and chapter 35, Laws of 2012 (certificated employee evaluations).

10 (4)(a) (~~(\$45,263,000)~~) \$44,879,000 of the general fund--state
11 appropriation for fiscal year 2014 and (~~(\$49,673,000)~~) \$48,746,000 of
12 the general fund--state appropriation for fiscal year 2015 are provided
13 solely for the following bonuses for teachers who hold valid, unexpired
14 certification from the national board for professional teaching
15 standards and who are teaching in a Washington public school, subject
16 to the following conditions and limitations:

17 (i) For national board certified teachers, a bonus of \$5,090 per
18 teacher in the 2013-14 and 2014-15 school years;

19 (ii) An additional \$5,000 annual bonus shall be paid to national
20 board certified teachers who teach in either: (A) High schools where
21 at least 50 percent of student headcount enrollment is eligible for
22 federal free or reduced price lunch, (B) middle schools where at least
23 60 percent of student headcount enrollment is eligible for federal free
24 or reduced price lunch, or (C) elementary schools where at least 70
25 percent of student headcount enrollment is eligible for federal free or
26 reduced price lunch;

27 (iii) The superintendent of public instruction shall adopt rules to
28 ensure that national board certified teachers meet the qualifications
29 for bonuses under (a)(ii) of this subsection for less than one full
30 school year receive bonuses in a pro-rated manner. All bonuses in
31 (a)(i) and (ii) of this subsection will be paid in July of each school
32 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced
33 by a factor of 40 percent for first year NBPTS certified teachers, to
34 reflect the portion of the instructional school year they are
35 certified; and

36 (iv) During the 2013-14 and 2014-15 school years, and within
37 available funds, certificated instructional staff who have met the
38 eligibility requirements and have applied for certification from the

1 national board for professional teaching standards may receive a
2 conditional loan of two thousand dollars or the amount set by the
3 office of the superintendent of public instruction to contribute toward
4 the current assessment fee, not including the initial up-front
5 candidacy payment. The fee shall be an advance on the first annual
6 bonus under RCW 28A.405.415. The conditional loan is provided in
7 addition to compensation received under a district's salary schedule
8 and shall not be included in calculations of a district's average
9 salary and associated salary limitation under RCW 28A.400.200.
10 Recipients who fail to receive certification after three years are
11 required to repay the conditional loan. The office of the
12 superintendent of public instruction shall adopt rules to define the
13 terms for initial grant of the assessment fee and repayment, including
14 applicable fees. To the extent necessary, the superintendent may use
15 revenues from the repayment of conditional loan scholarships to ensure
16 payment of all national board bonus payments required by this section
17 in each school year.

18 (5) \$477,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$477,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for the leadership internship
21 program for superintendents, principals, and program administrators.

22 (6) \$950,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$950,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for the Washington reading corps.
25 The superintendent shall allocate reading corps members to low-
26 performing schools and school districts that are implementing
27 comprehensive, proven, research-based reading programs. Two or more
28 schools may combine their Washington reading corps programs.

29 (7) \$810,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$810,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the development of a
32 leadership academy for school principals and administrators. The
33 superintendent of public instruction shall contract with an independent
34 organization to operate a state-of-the-art education leadership academy
35 that will be accessible throughout the state. Semiannually the
36 independent organization shall report on amounts committed by
37 foundations and others to support the development and implementation of
38 this program. Leadership academy partners shall include the state

1 level organizations for school administrators and principals, the
2 superintendent of public instruction, the professional educator
3 standards board, and others as the independent organization shall
4 identify.

5 (8) \$2,000,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$2,000,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for a statewide information
8 technology (IT) academy program. This public-private partnership will
9 provide educational software, as well as IT certification and software
10 training opportunities for students and staff in public schools.

11 (9) \$1,277,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$1,277,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for secondary career and technical
14 education grants pursuant to chapter 170, Laws of 2008. If equally
15 matched by private donations, \$300,000 of the 2014 appropriation and
16 \$300,000 of the 2015 appropriation shall be used to support FIRST
17 robotics programs. Of the amounts in this subsection, \$100,000 of the
18 fiscal year 2014 appropriation and \$100,000 of the fiscal year 2015
19 appropriation are provided solely for the purpose of statewide
20 supervision activities for career and technical education student
21 leadership organizations.

22 (10) \$125,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$125,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for (a) staff at the office of the
25 superintendent of public instruction to coordinate and promote efforts
26 to develop integrated math, science, technology, and engineering
27 programs in schools and districts across the state; and (b) grants of
28 \$2,500 to provide twenty middle and high school teachers each year with
29 professional development training for implementing integrated math,
30 science, technology, and engineering programs in their schools.

31 (11) \$135,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$135,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for science, technology,
34 engineering and mathematics lighthouse projects, consistent with
35 chapter 238, Laws of 2010.

36 (12) \$1,000,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$1,000,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for a beginning educator support

1 program. School districts and/or regional consortia may apply for
2 grant funding. The superintendent shall implement this program in 5 to
3 15 school districts and/or regional consortia. The program provided by
4 a district and/or regional consortia shall include: A paid
5 orientation; assignment of a qualified mentor; development of a
6 professional growth plan for each beginning teacher aligned with
7 professional certification; release time for mentors and new teachers
8 to work together; and teacher observation time with accomplished peers.
9 \$250,000 may be used to provide statewide professional development
10 opportunities for mentors and beginning educators.

11 (13) \$250,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$250,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for advanced project lead the way
14 courses at ten high schools. To be eligible for funding in 2014, a
15 high school must have offered a foundational project lead the way
16 course during the 2012-13 school year. The 2014 funding must be used
17 for one-time start-up course costs for an advanced project lead the way
18 course, to be offered to students beginning in the 2013-14 school year.
19 To be eligible for funding in 2015, a high school must have offered a
20 foundational project lead the way course during the 2013-14 school
21 year. The 2015 funding must be used for one-time start-up course costs
22 for an advanced project lead the way course, to be offered to students
23 beginning in the 2014-15 school year. The office of the superintendent
24 of public instruction and the education research and data center at the
25 office of financial management shall track student participation and
26 long-term outcome data.

27 (14) \$300,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$300,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for annual start-up grants for
30 aerospace and manufacturing technical programs housed at four skill
31 centers. The grants are provided for start-up equipment and curriculum
32 purchases. To be eligible for funding, the skill center must agree to
33 provide regional high schools with access to a technology laboratory,
34 expand manufacturing certificate and course offerings at the skill
35 center, and provide a laboratory space for local high school teachers
36 to engage in professional development in the instruction of courses
37 leading to student employment certification in the aerospace and
38 manufacturing industries. Once a skill center receives a start-up

1 grant, it is ineligible for additional start-up funding in the
2 following school year. The office of the superintendent of public
3 instruction shall administer the grants in consultation with the center
4 for excellence for aerospace and advanced materials manufacturing.

5 (15) \$150,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$150,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for annual start-up grants to six
8 high schools to implement the aerospace assembler program.
9 Participating high schools must agree to offer the aerospace assembler
10 training program to students by spring semester of school year 2013-14.
11 Once a high school receives a start-up grant, it is ineligible for
12 additional start-up funding in the following school year. The office
13 of the superintendent of public instruction and the education research
14 and data center at the office of financial management shall track
15 student participation and long-term outcome data.

16 (16) \$10,000,000 of the general fund--state appropriation for
17 fiscal year 2014 and \$5,000,000 of the general fund--state
18 appropriation for fiscal year 2015 are provided solely for the
19 provision of training for teachers in the performance-based teacher
20 principal evaluation program. Of the amounts appropriated in this
21 subsection, \$5,000,000 for fiscal year 2014 is a one-time
22 appropriation.

23 (17) \$3,600,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$6,681,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for the implementation of
26 Engrossed Second Substitute Senate Bill No. 5329 (persistently failing
27 schools). If the bill is not enacted by June 30, 2013, the amounts
28 provided in this subsection shall lapse.

29 (18) \$100,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$100,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely to promote the financial literacy
32 of students. The effort will be coordinated through the financial
33 literacy public-private partnership.

34 (19) \$109,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$99,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for the office of the
37 superintendent of public instruction to implement a youth dropout
38 prevention program that incorporates partnerships between community-

1 based organizations, schools, food banks and farms or gardens. The
2 office of the superintendent of public instruction shall select one
3 school district that must partner with an organization that is
4 operating an existing similar program and that also has the ability to
5 serve at least 40 students. Of the amount appropriated in this
6 subsection, up to \$10,000 may be used by the office of the
7 superintendent of public instruction for administration of the program.

8 (20) (~~(\$2,399,000)~~) \$2,285,000 of the general fund--state
9 appropriation for fiscal year 2014 and (~~(\$2,035,000)~~) \$1,912,000 of the
10 general fund--state appropriation for fiscal year 2015 are provided
11 solely to implement Engrossed Substitute Senate Bill No. 5946
12 (strengthening student educational outcomes). If the bill is not
13 enacted by June 30, 2013, the amounts provided in this subsection shall
14 lapse.

15 (21) \$1,110,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$1,061,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for chapter 184, Laws of 2013
18 (Second Substitute House Bill No. 1642) (academic acceleration). Of
19 the amount appropriated in this section, forty-nine thousand is
20 provided as one-time funding.

21 (22) \$198,000 of the general fund--state appropriation for fiscal
22 year 2015 is provided solely for the purposes of Substitute Senate Bill
23 No. 6062 (requiring internet access to public school data and
24 expenditure information). If the bill is not enacted by June 30, 2014,
25 the amount provided in this subsection shall lapse.

26 (23) \$66,000 of the general fund--state appropriation for fiscal
27 year 2015 is provided solely for the purposes of Substitute Senate Bill
28 No. 6104 (establishing the interactive gaming in schools public-private
29 partnership). If the bill is not enacted by June 30, 2014, the amount
30 provided in this subsection shall lapse.

31 (24) \$44,000 of the general fund--state appropriation for fiscal
32 year 2015 is provided solely for the purposes of Substitute Senate Bill
33 No. 6074 (enacting provisions to improve educational outcomes for
34 homeless students). If the bill is not enacted by June 30, 2014, the
35 amount provided in this subsection shall lapse.

36 (25) \$83,000 of the general fund--state appropriation for fiscal
37 year 2015 is provided solely for the purposes of Second Substitute

1 Senate Bill No. 6163 (expanded learning opportunities). If the bill is
2 not enacted by June 30, 2014, the amount provided in this subsection
3 shall lapse.

4 (26) \$21,000 of the general fund--state appropriation for fiscal
5 year 2015 is provided solely for the purposes of Senate Bill No. 6424
6 (state seal of biliteracy for high school students). If the bill is
7 not enacted by June 30, 2014, the amount provided in this subsection
8 shall lapse.

9 **Sec. 512.** 2013 2nd sp.s. c 4 s 514 (uncodified) is amended to read
10 as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
12 **BILINGUAL PROGRAMS**

13	General Fund--State Appropriation (FY 2014)	((\$95,500,000))
14		<u>\$97,796,000</u>
15	General Fund--State Appropriation (FY 2015)	((\$106,120,000))
16		<u>\$110,084,000</u>
17	General Fund--Federal Appropriation	((\$71,016,000))
18		<u>\$72,116,000</u>
19	TOTAL APPROPRIATION	((\$272,636,000))
20		<u>\$279,996,000</u>

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

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

26 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
27 shall allocate funding to school districts for transitional bilingual
28 programs under RCW 28A.180.010 through 28A.180.080, including programs
29 for exited students, as provided in RCW 28A.150.260(10)(b) and the
30 provisions of this section. In calculating the allocations, the
31 superintendent shall assume the following averages: (i) Additional
32 instruction of 4.7780 hours per week per transitional bilingual program
33 student in grades kindergarten through twelve in school years 2013-14
34 and 2014-15; (ii) additional instruction of 3.0000 hours per week in
35 school year 2013-14 for the head count number of students who have
36 exited the transitional bilingual instruction program within the
37 previous school year based on their performance on the English

1 proficiency assessment; (iii) additional instruction of 3.0000 hours
2 per week in school year 2014-15 for the head count number of students
3 who have exited the transitional bilingual instruction program within
4 the previous two years based on their performance on the English
5 proficiency assessment; (iv) fifteen transitional bilingual program
6 students per teacher; (v) 36 instructional weeks per year; (vi) 900
7 instructional hours per teacher; and (vii) the district's average staff
8 mix and compensation rates as provided in sections 503 and 504 of this
9 act.

10 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
11 allocate funding to school districts for transitional bilingual
12 instruction programs as provided in section 514, chapter 50, Laws of
13 2011 1st sp. sess., as amended.

14 (3) The superintendent may withhold allocations to school districts
15 in subsection (2) of this section solely for the central provision of
16 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
17 following amounts: (~~(1.76)~~) 1.69 percent for school year 2013-14 and
18 (~~(1.59)~~) 1.52 percent for school year 2014-15.

19 (4) The general fund--federal appropriation in this section is for
20 migrant education under Title I Part C and English language
21 acquisition, and language enhancement grants under Title III of the
22 elementary and secondary education act.

23 (5) \$35,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$35,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely to track current and former
26 transitional bilingual program students.

27 **Sec. 513.** 2013 2nd sp.s. c 4 s 515 (uncodified) is amended to read
28 as follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
30 **ASSISTANCE PROGRAM**

31	General Fund--State Appropriation (FY 2014)	((\$196,356,000))
32		<u>\$194,728,000</u>
33	General Fund--State Appropriation (FY 2015)	((\$218,335,000))
34		<u>\$214,877,000</u>
35	General Fund--Federal Appropriation	((\$448,434,000))
36		<u>\$450,534,000</u>
37	TOTAL APPROPRIATION	((\$863,125,000))

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

(1) The general fund--state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b)(i) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a), except that the allocation for the additional instructional hours shall be enhanced as provided in this section, which enhancements are within the program of the basic education. In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 2.3975 hours per week per funded learning assistance program student for the 2013-14 school year and the 2014-15 school year; (B) fifteen learning assistance program students per teacher; (C) 36 instructional weeks per year; (D) 900 instructional hours per teacher; and (E) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2013, to August 31, 2013, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 50, Laws of 2011 1st sp. sess., as amended.

(c) A school district's funded students for the learning assistance program shall be the sum of the district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year. Starting with the allocation for the 2014-15 school year, the prior school year's October headcount enrollment for free and reduced price lunch shall be as reported in the comprehensive education data and research system.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school

1 lunch program, as recommended in the report of the state auditor on the
2 learning assistance program dated February, 2010.

3 (3) The general fund--federal appropriation in this section is
4 provided for Title I Part A allocations of the no child left behind act
5 of 2001.

6 (4) A school district may carry over from one year to the next up
7 to 10 percent of the general fund--state funds allocated under this
8 program; however, carryover funds shall be expended for the learning
9 assistance program.

10 **Sec. 514.** 2013 2nd sp.s. c 4 s 516 (uncodified) is amended to read
11 as follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

13 (1) Amounts distributed to districts by the superintendent through
14 part V of this act are for allocations purposes only, unless specified
15 by part V of this act, and do not entitle a particular district,
16 district employee, or student to a specific service, beyond what has
17 been expressly provided in statute. Part V of this act restates the
18 requirements of various sections of Title 28A RCW. If any conflict
19 exists, the provisions of Title 28A RCW control unless this act
20 explicitly states that it is providing an enhancement. Any amounts
21 provided in part V of this act in excess of the amounts required by
22 Title 28A RCW provided in statute, are not within the program of basic
23 education unless clearly stated by this act.

24 (2) To the maximum extent practicable, when adopting new or revised
25 rules or policies relating to the administration of allocations in part
26 V of this act that result in fiscal impact, the office of the
27 superintendent of public instruction shall attempt to seek legislative
28 approval through the budget request process.

29 (3) Appropriations made in this act to the office of the
30 superintendent of public instruction shall initially be allotted as
31 required by this act. Subsequent allotment modifications shall not
32 include transfers of moneys between sections of this act, except as
33 expressly provided in subsection (4) of this section.

34 (4) The appropriations to the office of the superintendent of
35 public instruction in this act shall be expended for the programs and
36 amounts specified in this act. However, after May 1, 2014, unless
37 specifically prohibited by this act and after approval by the director

1 of financial management, the superintendent of public instruction may
2 transfer state general fund appropriations for fiscal year 2014 among
3 the following programs to meet the apportionment schedule for a
4 specified formula in another of these programs: General apportionment;
5 employee compensation adjustments; pupil transportation; special
6 education programs; institutional education programs; transitional
7 bilingual programs; highly capable; and learning assistance programs.

8 (5) The director of financial management shall notify the
9 appropriate legislative fiscal committees in writing prior to approving
10 any allotment modifications or transfers under this section.

11 (6) As required by RCW 28A.710.110, the office of the
12 superintendent of public instruction shall transfer the charter school
13 authorizer oversight fee for the charter school commission to the
14 charter school oversight fund.

15 NEW SECTION. Sec. 515. A new section is added to 2013 2nd sp.s.
16 c 4 (uncodified) to read as follows:

17 **FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION**

18	General Fund--State Appropriation (FY 2014)	\$466,000
19	General Fund--State Appropriation (FY 2015)	\$555,000
20	Charter School Oversight Account--State	
21	Appropriation	\$17,000
22	TOTAL APPROPRIATION	\$1,038,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: \$50,000 of the general fund--state
25 appropriation for fiscal year 2014 and \$33,000 of the general fund--
26 state appropriation for fiscal year 2015 are provided solely for the
27 office of the attorney general costs related to *League of Women Voters*
28 *v. State of Washington*.

(End of part)

PART VI
HIGHER EDUCATION

Sec. 601. 2013 2nd sp.s. c 4 s 602 (uncodified) is amended to read as follows:

(1) Within the amounts appropriated in this act and chapter 1, Laws of 2013 3rd sp. sess. (aerospace industry appropriations), each institution of higher education is expected to enroll and educate at least the following numbers of full-time equivalent state-supported students per academic year:

	2013-14	2014-15
	Annual Average	Annual Average
University of Washington	37,162	((37,162)) <u>39,081</u>
Washington State University	22,228	((22,228)) <u>23,642</u>
Central Washington University	9,105	((9,105)) <u>8,808</u>
Eastern Washington University	8,734	((8,734)) <u>9,523</u>
The Evergreen State College	((4,335)) <u>4,213</u>	((4,335)) <u>4,213</u>
Western Washington University	((12,710)) <u>11,762</u>	((12,710)) <u>11,762</u>
State Board for Community & Technical Colleges		
Adult Students	139,237	((139,237)) <u>142,854</u>
Running Start Students	11,558	11,558

(2) In achieving or exceeding these enrollment targets, each institution shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at branch campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is limited student or employer demand, or that are not areas of core academic strength for the institution, particularly when such programs duplicate offerings by other in-state institutions.

1 (3) For purposes of monitoring and reporting statewide enrollment,
2 the University of Washington and Washington State University shall
3 notify the office of financial management of the number of full-time
4 student equivalent enrollments budgeted for each of their campuses.

5 **Sec. 602.** 2013 2nd sp.s. c 4 s 603 (uncodified) is amended to read
6 as follows:

7 **PUBLIC BACCALAUREATE INSTITUTIONS**

8 (1) In order to operate within the state funds appropriated in this
9 act, the governing boards of the state research universities, the state
10 regional universities, and The Evergreen State College are authorized
11 to adopt and adjust tuition and fees for the 2013-14 and 2014-15
12 academic years as provided in this section.

13 (2) For the purposes of chapter 28B.15 RCW, the omnibus
14 appropriations act assumes no increase of tuition levels for resident
15 undergraduate students over the amounts charged to resident
16 undergraduate students for the prior year.

17 (3) Appropriations in sections 606 through 611 of this act are
18 sufficient to maintain resident undergraduate tuition levels at the
19 levels charged to resident undergraduate students during the 2012-13
20 academic year. As a result, for the 2013-14 and 2014-15 academic
21 years, the institutions of higher education shall not adopt resident
22 undergraduate tuition levels that are greater than the tuition levels
23 assumed in subsection (2) of this section. (~~For the 2014-15 academic~~
24 ~~year, the institutions of higher education are authorized to adopt~~
25 ~~tuition levels for resident undergraduate students that are less than,~~
26 ~~equal to, or greater than tuition levels assumed in the omnibus~~
27 ~~appropriations act in subsection (2) of this section. However, to the~~
28 ~~extent that tuition levels exceed the tuition levels assumed in~~
29 ~~subsection (2) of this section, the institution of higher education~~
30 ~~shall be subject to the conditions and limitations provided in RCW~~
31 ~~28B.15.102-.)~~)

32 (4) Each governing board is authorized to increase tuition charges
33 to graduate and professional students, and to nonresident undergraduate
34 students, by amounts judged reasonable and necessary by the governing
35 board.

36 (5) Each governing board is authorized to increase summer quarter

1 or semester tuition fees for resident and nonresident undergraduate,
2 graduate, and professional students pursuant to RCW 28B.15.067.

3 (6) Each governing board is authorized to adopt or increase charges
4 for fee-based, self-sustaining degree programs, credit courses,
5 noncredit workshops and courses, and special contract courses by
6 amounts judged reasonable and necessary by the governing board.

7 (7) Each governing board is authorized to adopt or increase
8 services and activities fees for all categories of students as provided
9 in RCW 28B.15.069.

10 (8) Each governing board is authorized to adopt or increase
11 technology fees as provided in RCW 28B.15.069.

12 (9) Each governing board is authorized to adopt or increase special
13 course and lab fees, and health and counseling fees, to the extent
14 necessary to cover the reasonable and necessary exceptional cost of the
15 course or service.

16 (10) Each governing board is authorized to adopt or increase
17 administrative fees such as, but not limited to, those charged for
18 application, matriculation, special testing, and transcripts by amounts
19 judged reasonable and necessary by the governing board.

20 (11) The state universities, the regional universities, and The
21 Evergreen State College must accept the transfer of college-level
22 courses taken by running start students if a student seeking a transfer
23 of the college-level courses has been admitted to the state university,
24 the regional university, or The Evergreen State College, and if the
25 college-level courses are recognized as transferrable by the admitting
26 institution of higher education.

27 (12) Appropriations in sections 606 through 611 of this act are
28 sufficient to implement 2013-2015 collective bargaining agreements at
29 institutions of higher education negotiated under chapter 41.80 RCW.
30 The institutions may also use these funds for any other purpose
31 including restoring prior compensation reductions, increasing
32 compensation, and implementing other collective bargaining agreements.

33 **Sec. 603.** 2013 2nd sp.s. c 4 s 604 (uncodified) is amended to read
34 as follows:

35 **STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

36 (1) In order to operate within the state funds appropriated in this

1 act, the state board is authorized to adopt and adjust tuition and fees
2 for the 2013-14 and 2014-15 academic years as provided in this section.

3 (2) For the purposes of chapter 28B.15 RCW, appropriations in the
4 omnibus appropriations act assumes no increase in tuition levels for
5 resident undergraduate students over the amounts charged to resident
6 undergraduate students for the prior year. ~~((For the 2014-15 academic
7 year, the state board is authorized to adopt tuition levels for
8 resident undergraduate students that are less than, equal to, or
9 greater than tuition levels assumed in the omnibus appropriations act
10 in this subsection. However, to the extent that tuition levels exceed
11 the tuition levels assumed in this subsection, the state board shall
12 retain an additional one percent of operating fees above what is
13 already retained pursuant to RCW 28B.15.031 for the purposes of RCW
14 28B.15.820. For the 2013-2015 fiscal biennium, when expending this
15 additional retained amount, the community and technical colleges are
16 subject to the conditions and limitations in RCW 28B.15.102.))~~
17 Appropriations in section 604 of this act are sufficient to maintain
18 resident undergraduate tuition levels at the levels charged to resident
19 undergraduate students during the 2012-13 academic year.

20 (3) For the 2013-14 and 2014-15 academic years, the state board may
21 increase tuition fees charged to resident undergraduates enrolled in
22 upper division applied baccalaureate programs as specified in
23 subsection (2) of this section.

24 (4) Appropriations in section 605 include the restoration of the
25 three percent reduction in compensation costs taken in the 2011-2013
26 fiscal biennium. This funding is sufficient to implement 2013-2015
27 collective bargaining agreements at institutions of higher education
28 negotiated under chapter 41.80 RCW. The colleges may also use the
29 restored funds for any other purpose including restoring prior
30 compensation reductions, increasing compensation, and implementing
31 other collective bargaining agreements.

32 (5) The state board may increase the tuition fees charged to
33 nonresident students by amounts judged reasonable and necessary by the
34 board.

35 (6) The trustees of the technical colleges are authorized to either
36 (a) increase operating fees by no more than the percentage increases
37 authorized for community colleges by the state board; or (b) fully

1 adopt the tuition fee charge schedule adopted by the state board for
2 community colleges.

3 (7) For academic years 2013-14 and 2014-15, the trustees of the
4 technical colleges are authorized to increase building fees by an
5 amount judged reasonable in order to progress toward parity with the
6 building fees charged students attending the community colleges.

7 (8) The state board is authorized to increase the maximum allowable
8 services and activities fees as provided in RCW 28B.15.069. The
9 trustees of the community and technical colleges are authorized to
10 increase services and activities fees up to the maximum level
11 authorized by the state board.

12 (9) The trustees of the community and technical colleges are
13 authorized to adopt or increase charges for fee-based, self-sustaining
14 programs such as summer session, international student contracts, and
15 special contract courses by amounts judged reasonable and necessary by
16 the trustees.

17 (10) The trustees of the community and technical colleges are
18 authorized to adopt or increase special course and lab fees to the
19 extent necessary to cover the reasonable and necessary exceptional cost
20 of the course or service.

21 (11) The trustees of the community and technical colleges are
22 authorized to adopt or increase administrative fees such as but not
23 limited to those charged for application, matriculation, special
24 testing, and transcripts by amounts judged reasonable and necessary by
25 the trustees.

26 **Sec. 604.** 2013 2nd sp.s. c 4 s 605 (uncodified) is amended to read
27 as follows:

28 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

29	General Fund--State Appropriation (FY 2014)	((\$570,262,000))
30		<u>\$569,849,000</u>
31	General Fund--State Appropriation (FY 2015)	((\$568,999,000))
32		<u>\$566,750,000</u>
33	Community/Technical College Capital Projects	
34	Account--State Appropriation	\$17,548,000
35	Education Legacy Trust Account--State	
36	Appropriation	\$95,373,000
37	TOTAL APPROPRIATION	((\$1,252,182,000))

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

(1) \$33,261,000 of the general fund--state appropriation for fiscal year 2014 and \$33,261,000 of the general fund--state appropriation for fiscal year 2015 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 7,170 full-time equivalent students in fiscal year 2014 and at least 7,170 full-time equivalent students in fiscal year 2015.

(2) \$5,450,000 of the education legacy trust account--state appropriation is provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) \$100,000 of the general fund--state appropriation for fiscal year 2014 and \$100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the aerospace center of excellence currently hosted by Everett community college to:

(a) Increase statewide communications and outreach between industry sectors, industry organizations, businesses, K-12 schools, colleges, and universities;

(b) Enhance information technology to increase business and student accessibility and use of the center's web site; and

(c) Act as the information entry point for prospective students and job seekers regarding education, training, and employment in the industry.

(4) \$181,000 of the general fund--state appropriation for fiscal year 2014 and \$181,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the opportunity center for employment and education internet technology integration project at north Seattle community college.

(5) \$255,000 of the general fund--state appropriation for fiscal

1 year 2014 and \$255,000 of the general fund--state appropriation for
2 fiscal year 2015 are provided solely for implementation of a maritime
3 industries training program at south Seattle community college.

4 (6) \$5,250,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$5,250,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the student achievement
7 initiative.

8 (7) \$500,000 of the general fund--state appropriation for fiscal
9 year 2014 is provided solely for implementation of Second Substitute
10 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not
11 enacted by June 30, 2013, the amount provided in this subsection shall
12 lapse.

13 (8) Community and technical colleges are not required to send mass
14 mailings of course catalogs to residents of their districts. Community
15 and technical colleges shall consider lower cost alternatives, such as
16 mailing postcards or brochures that direct individuals to online
17 information and other ways of acquiring print catalogs.

18 (9) The state board for community and technical colleges shall not
19 use funds appropriated in this section to support intercollegiate
20 athletics programs.

21 (10) In accordance with chapter 321, Laws of 2011, the university
22 center of north Puget Sound is transferred to Washington State
23 University from the state board for community and technical colleges.
24 Beginning in fiscal year 2015, this transfer will reduce the state
25 board for community and technical college's funding level and
26 enrollment targets by 310 full-time equivalent students. A
27 corresponding addition is made to the appropriations to Washington
28 State University.

29 (11) \$13,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$168,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the purposes of Substitute
32 Senate Bill No. 6129 (paraeducator development). If the bill is not
33 enacted by June 30, 2014, the amounts provided in this subsection shall
34 lapse.

35 **Sec. 605.** 2013 2nd sp.s. c 4 s 606 (uncodified) is amended to read
36 as follows:

1	FOR THE UNIVERSITY OF WASHINGTON	
2	General Fund--State Appropriation (FY 2014)	((\$246,897,000))
3		<u>\$246,895,000</u>
4	General Fund--State Appropriation (FY 2015)	((\$245,200,000))
5		<u>\$245,599,000</u>
6	Geoduck Aquaculture Research Account--State	
7	Appropriation	\$300,000
8	Education Legacy Trust Account--State Appropriation	\$13,998,000
9	Economic Development Strategic Reserve Account--	
10	State Appropriation	\$3,000,000
11	Biotoxin Account--State Appropriation	\$390,000
12	Accident Account--State Appropriation	\$6,741,000
13	Medical Aid Account--State Appropriation	\$6,546,000
14	Aquatic Land Enhancement Account--State Appropriation	\$700,000
15	State Toxics Control Account--State Appropriation	\$1,120,000
16	TOTAL APPROPRIATION	((\$524,892,000))
17		<u>\$525,289,000</u>

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

20 (1) \$300,000 of the geoduck aquaculture research account--state
21 appropriation is provided solely for the University of Washington sea
22 grant program to commission scientific research studies that examine
23 possible negative and positive effects, including the cumulative
24 effects and the economic contribution, of evolving shellfish
25 aquaculture techniques and practices on Washington's economy and marine
26 ecosystems. The research conducted for the studies is not intended to
27 be a basis for an increase in the number of shellfish harvesting
28 permits available and should be coordinated with any research efforts
29 related to ocean acidification. The University of Washington must
30 submit an annual report detailing any findings and outline the progress
31 of the study, consistent with RCW 43.01.036, to the appropriate
32 legislative committees by December 1st of each year.

33 (2) \$52,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$52,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for the center for international
36 trade in forest products in the college of forest resources.

37 (3) \$4,459,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$4,459,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the expansion of computer
2 science and engineering enrollments. The university will work with the
3 education research and data center to establish program baselines and
4 demonstrate enrollment increases. By September 1, 2014, and each
5 September 1st thereafter, the university shall provide a report that
6 provides the specific detail on how these amounts were spent in the
7 preceding fiscal year, including but not limited to the cost per
8 student, student completion rates, and the number of low-income
9 students enrolled in each program, any process changes or best-
10 practices implemented by the college, and how many students are
11 enrolled in computer science and engineering programs above the 2012-
12 2013 academic year baseline.

13 (4) \$3,000,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$3,000,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for creation of a clean energy
16 institute. The institute shall integrate physical sciences and
17 engineering with a research focus on energy storage and solar energy.

18 (5) \$3,000,000 of the economic development strategic reserve
19 account appropriation is provided solely to support the joint center
20 for aerospace innovation technology.

21 (6) Within existing resources the University of Washington may:
22 (a) Form and implement an integrated innovation institute and research,
23 planning, and outreach initiatives at the Olympic national resources
24 center; and (b) accredit a four-year undergraduate forestry program
25 from the society of American foresters. Accreditation may occur in
26 conjunction with reaccreditation of the master of forest resources
27 program.

28 (7) \$700,000 of the aquatic lands enhancement account--state
29 appropriation and \$1,120,000 of the state toxics control account--state
30 appropriation are provided solely for the center on ocean acidification
31 and related work necessary to implement the recommendations of the
32 governor's blue ribbon task force on ocean acidification. The
33 university shall provide staffing for this purpose.

34 (8) The University of Washington shall not use funds appropriated
35 in this section to support intercollegiate athletics programs.

36 (9) \$400,000 of the general fund--state appropriation for fiscal
37 year 2015 is provided solely for the University of Washington-Tacoma to
38 develop a law school.

1 **Sec. 606.** 2013 2nd sp.s. c 4 s 607 (uncodified) is amended to read
2 as follows:

3 **FOR WASHINGTON STATE UNIVERSITY**

4	General Fund--State Appropriation (FY 2014)	((\$156,616,000))
5		<u>\$156,598,000</u>
6	General Fund--State Appropriation (FY 2015)	((\$157,701,000))
7		<u>\$159,671,000</u>
8	Education Legacy Trust Account--State Appropriation	\$33,995,000
9	TOTAL APPROPRIATION	((\$348,312,000))
10		<u>\$350,264,000</u>

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

13 (1) Within existing resources, Washington State University shall
14 establish an accredited forestry program.

15 (2) \$2,856,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$2,857,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the expansion of computer
18 science and engineering enrollments. The university will work with the
19 education research and data center to establish program baselines and
20 demonstrate enrollment increases. By September 1, 2014, and each
21 September 1st thereafter, the university shall provide a report that
22 provides the specific detail on how these amounts were spent in the
23 preceding fiscal year, including but not limited to the cost per
24 student, student completion rates, and the number of low-income
25 students enrolled in each program, any process changes or best-
26 practices implemented by the college, and how many students are
27 enrolled in computer science and engineering programs above the 2012-
28 2013 academic year baseline.

29 (3) \$25,000 of the general fund--state appropriation for fiscal
30 year 2014 is provided solely for the Ruckelshaus center to collaborate
31 with local governments, the media, and representatives of the public
32 regarding public record requests made to local government. The center
33 shall facilitate meetings and discussions and report to the appropriate
34 committees of the legislature. The report shall include information
35 on:

36 (a) Recommendations related to balancing open public records with
37 concerns of local governments related to interfering with the work of
38 the local government;

- 1 (b) Resources necessary to accommodate requests;
- 2 (c) Potential harassment of government employees;
- 3 (d) Potential safety concerns of people named in the record;
- 4 (e) Potentially assisting criminal activity; and
- 5 (f) Other issues brought forward by the participants.

6 The center shall report to the appropriate committees of the
7 legislature by December 15, 2013.

8 (4) \$300,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$300,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the Washington State
11 University agricultural research center to conduct public outreach and
12 education related to nonlethal methods of mitigating conflicts between
13 livestock and large wild carnivores. Of the amounts provided in this
14 subsection, \$200,000 of the general fund--state appropriation for
15 fiscal year 2014 and \$200,000 of the general fund--state appropriation
16 for fiscal year 2015 are provided solely to the center to conduct a
17 detailed analysis of such methods. The amounts appropriated in this
18 subsection may not be subject to an administrative fee or charge, and
19 must be used for costs directly associated with the research and
20 analysis.

21 (5) \$2,400,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$3,600,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for expansion of medical education
24 and biomedical research in Spokane.

25 (6) Washington State University shall not use funds appropriated in
26 this section to support intercollegiate athletic programs.

27 (7) In accordance with chapter 321, Laws of 2011, the university
28 center of north Puget Sound is transferred to Washington State
29 University from the state board for community and technical colleges.
30 Beginning in fiscal year 2015, this transfer will increase Washington
31 State University's funding level and enrollment targets by 310 full-
32 time equivalent students. A corresponding reduction is made to the
33 appropriations to the state board for community and technical colleges.

34 **Sec. 607.** 2013 2nd sp.s. c 4 s 608 (uncodified) is amended to read
35 as follows:

36 **FOR EASTERN WASHINGTON UNIVERSITY**

37 General Fund--State Appropriation (FY 2014) ((\$31,674,000))

1		<u>\$31,381,000</u>
2	General Fund--State Appropriation (FY 2015)	((\$31,619,000))
3		<u>\$32,326,000</u>
4	Education Legacy Trust Account--State	
5	Appropriation	\$15,470,000
6	TOTAL APPROPRIATION	((\$78,763,000))
7		<u>\$79,177,000</u>

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

10 (1) At least \$200,000 of the general fund--state appropriation for
11 fiscal year 2014 and at least \$200,000 of the general fund--state
12 appropriation for fiscal year 2015 shall be expended on the Northwest
13 autism center.

14 (2) Eastern Washington University shall not use funds appropriated
15 in this section to support intercollegiate athletics programs.

16 (3) \$1,000,000 of the general fund--state appropriation for fiscal
17 year 2015 is provided solely for the expansion of engineering
18 enrollments. The university will work with the education research and
19 data center to establish program baselines and demonstrate enrollment
20 increases. By September 1, 2015, and each September 1st thereafter,
21 the university shall provide a report that provides the specific detail
22 on how these amounts were spent in the preceding fiscal year, including
23 but not limited to the cost per student, student completion rates, and
24 the number of low-income students enrolled in each program, any process
25 changes or best-practices implemented by the college, and how many
26 students are enrolled in computer science and engineering programs
27 above the 2012-2013 academic year baseline.

28 **Sec. 608.** 2013 2nd sp.s. c 4 s 609 (uncodified) is amended to read
29 as follows:

30 **FOR CENTRAL WASHINGTON UNIVERSITY**

31	General Fund--State Appropriation (FY 2014)	((\$29,719,000))
32		<u>\$29,720,000</u>
33	General Fund--State Appropriation (FY 2015)	((\$29,533,000))
34		<u>\$30,532,000</u>
35	Education Legacy Trust Account--State Appropriation	\$19,076,000
36	TOTAL APPROPRIATION	((\$78,328,000))
37		<u>\$79,328,000</u>

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

3 (1) \$25,000 of the general fund--state appropriation for fiscal
4 year 2014 is provided solely for the college of education to conduct a
5 study identifying the duties encompassed in a state-funded teacher's
6 typical work day. The study must include an estimate of the percent of
7 a teacher's typical day that is spent on teaching related duties and
8 the percentage of the teacher's day that is spent on duties that are
9 not directly related to teaching. The university shall submit a report
10 to the appropriate committees of the legislature by December 1, 2013.

11 (2) Amounts appropriated in this section are sufficient for the
12 university to develop a plan to create an online degree granting entity
13 that awards degrees based on an alternative credit model. The
14 university shall submit a final plan by December 1, 2013, to the higher
15 education committees of the legislature.

16 (3) Central Washington University shall not use funds appropriated
17 in this section to support intercollegiate athletics programs.

18 (4) \$1,000,000 of the general fund--state appropriation for fiscal
19 year 2015 is provided solely for the expansion of computer science and
20 engineering enrollments. The university will work with the education
21 research and data center to establish program baselines and demonstrate
22 enrollment increases. By September 1, 2015, and each September 1st
23 thereafter, the university shall provide a report that provides the
24 specific detail on how these amounts were spent in the preceding fiscal
25 year, including but not limited to the cost per student, student
26 completion rates, and the number of low-income students enrolled in
27 each program, any process changes or best- practices implemented by the
28 college, and how many students are enrolled in computer science and
29 engineering programs above the 2012-2013 academic year baseline.

30 **Sec. 609.** 2013 2nd sp.s. c 4 s 610 (uncodified) is amended to read
31 as follows:

32 **FOR THE EVERGREEN STATE COLLEGE**

33	General Fund--State Appropriation (FY 2014)	(((\$18,563,000))
34		<u>\$18,352,000</u>
35	General Fund--State Appropriation (FY 2015)	(((\$17,911,000))
36		<u>\$18,432,000</u>
37	Education Legacy Trust Account--State Appropriation	\$5,450,000

1 TOTAL APPROPRIATION ((~~\$41,924,000~~))
2 \$42,234,000

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

5 ((~~+3~~)) (1) \$100,000 of the general fund--state appropriation for
6 fiscal year 2014 and \$50,000 of the general fund--state appropriation
7 for fiscal year 2015 are provided solely for the Washington state
8 institute for public policy to conduct a comprehensive retrospective
9 outcome evaluation and return on investment analysis of the early
10 learning childhood program pursuant to Senate Bill No. 5904 (high
11 quality early learning). This evaluation is due December 15, 2014. If
12 the bill is not enacted by June 30, 2013, the amount provided in this
13 subsection shall lapse.

14 ((~~+4~~)) (2) \$50,000 of the general fund--state appropriation for
15 fiscal year 2014 and \$50,000 of the general fund--state appropriation
16 for fiscal year 2015 are provided solely for the Washington state
17 institute for public policy to develop a risk assessment instrument for
18 patients committed for involuntary treatment in Washington state.

19 ((~~+5~~)) (3) \$58,000 of the general fund--state appropriation for
20 fiscal year 2014 and \$27,000 of the general fund--state appropriation
21 for fiscal year 2015 are provided solely for the Washington state
22 institute for public policy to prepare an inventory of evidence-based
23 and research-based effective practices, activities, and programs for
24 use by school districts in the learning assistance program pursuant to
25 Engrossed Second Substitute Senate Bill No. 5946 (student educational
26 outcomes), including partnerships with community-based organizations
27 that deliver academic and nonacademic supports to students who are
28 significantly at-risk of not being successful in school, such as one-
29 to-one services to overcome barriers of success at school and school-
30 wide afterschool academic support. The initial inventory is due by
31 August 1, 2014, and shall be updated every two years thereafter. If
32 the bill is not enacted by June 30, 2013, the amounts provided in this
33 subsection shall lapse.

34 ((~~+6~~)) (4) \$50,000 of the general fund--state appropriation for
35 fiscal year 2014 are provided solely for the Washington state institute
36 for public policy to provide expertise to the department of corrections
37 on the implementation of programming that follows the risk needs

1 responsivity model. In consultation with the department of
2 corrections, the institute will systematically review selected programs
3 for outcome measures.

4 (5) The Washington state institute for public policy shall examine
5 the drug offender sentencing alternative (DOSA) for offenders sentenced
6 to residential treatment in the community. The institute shall examine
7 its effectiveness on recidivism and conduct a benefit-cost analysis.
8 The institute shall report its findings to the appropriate committee of
9 the legislature by December 1, 2014.

10 ~~((+7))~~ (6) Funding provided in this section is sufficient for The
11 Evergreen State College to continue operations of the Longhouse Center
12 and the Northwest Indian applied research institute.

13 ~~((+9))~~ (7) Notwithstanding other provisions in this section, the
14 board of directors for the Washington state institute for public policy
15 may adjust due dates for projects included on the institute's 2013-2015
16 work plan as necessary to efficiently manage workload.

17 ~~((+10))~~ (8) The Evergreen State College shall not use funds
18 appropriated in this section to support intercollegiate athletics
19 programs.

20 (9) \$50,000 of the general fund--state appropriation for fiscal
21 year 2015 is provided solely for Washington state institute for public
22 policy to conduct a comprehensive study of tobacco and e-cigarette
23 prevention programs that will yield the highest public health benefit
24 and reduce tobacco use. In conducting this study, the institute shall
25 identify: (a) The most effective population-based approaches and what
26 targeted populations will yield the greatest return on investment; and
27 (b) other state models, including the "Friday night light" program in
28 California, that yield the greatest likelihood of reducing state health
29 care costs. The institute shall work with the department of health to
30 determine which programs can be brought to scale most efficiently. The
31 institute shall report its findings to the appropriate committees of
32 the legislature by December 31, 2014.

33 (10) \$154,000 of the general fund--state appropriation for fiscal
34 year 2015 is provided solely for the purposes of Substitute Senate Bill
35 No. 6064 (school days/use by districts). If the bill is not enacted by
36 June 30, 2014, the amount provided in this subsection shall lapse.

37 (11) \$263,000 of the general fund--state appropriation for fiscal

1 year 2015 is provided solely for the purposes of Senate Bill No. 6555
2 (education investment reviews). If the bill is not enacted by June 30,
3 2014, the amount provided in this subsection shall lapse.

4 **Sec. 610.** 2013 2nd sp.s. c 4 s 611 (uncodified) is amended to read
5 as follows:

6 **FOR WESTERN WASHINGTON UNIVERSITY**

7 General Fund--State Appropriation (FY 2014)	((\$44,542,000))
	<u>\$44,518,000</u>
9 General Fund--State Appropriation (FY 2015)	((\$44,377,000))
	<u>\$44,351,000</u>
11 Education Legacy Trust Account--State	
12 Appropriation	\$13,050,000
13 TOTAL APPROPRIATION	((\$101,969,000))
	<u>\$101,919,000</u>

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

17 (1) \$1,497,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$1,498,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for the expansion of computer
20 science and engineering enrollments. The university will work with the
21 education research and data center to establish program baselines and
22 demonstrate enrollment increases. By September 1, 2014, and each
23 September 1st thereafter, the university shall provide a report that
24 provides the specific detail on how these amounts were spent in the
25 preceding fiscal year, including but not limited to the cost per
26 student, student completion rates, and the number of low-income
27 students enrolled in each program, any process changes or best-
28 practices implemented by the college, and how many students are
29 enrolled in computer science and engineering programs above the 2012-
30 2013 academic year baseline.

31 (2) Western Washington University shall not use funds appropriated
32 in this section to support intercollegiate athletics programs.

33 **Sec. 611.** 2013 2nd sp.s. c 4 s 612 (uncodified) is amended to read
34 as follows:

35 **FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND**

1 **ADMINISTRATION**

2	General Fund--State Appropriation (FY 2014)	((\$5,307,000))
3		<u>\$5,297,000</u>
4	General Fund--State Appropriation (FY 2015)	((\$5,318,000))
5		<u>\$5,432,000</u>
6	General Fund--Federal Appropriation	((\$4,817,000))
7		<u>\$4,816,000</u>
8	TOTAL APPROPRIATION	((\$15,442,000))
9		<u>\$15,545,000</u>

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

12 (1) The student achievement council is authorized to increase or
13 establish fees for initial degree authorization, degree authorization
14 renewal, degree authorization reapplication, new program applications,
15 and new site applications pursuant to RCW 28B.85.060.

16 (2) \$120,000 of the general fund--state appropriation for fiscal
17 year 2015 is provided solely for the student achievement council to
18 conduct an assessment of the higher education needs of the city of
19 Covington. In conducting this assessment and making recommendations,
20 the student achievement council shall ensure that consideration is
21 given to online education programs as well as programs that coexist
22 within the community and technical college system.

23 **Sec. 612.** 2013 2nd sp.s. c 4 s 613 (uncodified) is amended to read
24 as follows:

25 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**
26 **ASSISTANCE**

27	General Fund--State Appropriation (FY 2014)	\$245,122,000
28	General Fund--State Appropriation (FY 2015)	\$244,674,000
29	General Fund--Federal Appropriation	((\$11,648,000))
30		<u>\$11,655,000</u>
31	General Fund--Private/Local Appropriation	((\$34,000))
32		<u>\$334,000</u>
33	Education Legacy Trust Account--State	
34	Appropriation	((\$36,036,000))
35		<u>\$73,297,000</u>
36	Washington Opportunity Pathways Account--State	
37	Appropriation	\$147,000,000

1 TOTAL APPROPRIATION ((\$684,514,000))
2 \$722,082,000

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

5 (1) \$237,454,000 of the general fund--state appropriation for
6 fiscal year 2014, \$237,455,000 of the general fund--state
7 appropriation, and \$147,000,000 of the Washington opportunity pathways
8 account--state appropriation are provided solely for student financial
9 aid payments under the state need grant and state work study programs
10 including up to four percent administrative allowance for the state
11 work study program.

12 (2) Changes made to the state need grant program in the 2011-2013
13 fiscal biennium are continued in the 2013-2015 fiscal biennium
14 including aligning increases in awards given to private institutions
15 with the annual tuition increases for public research institutions or
16 the private institution's average annual tuition increase experience of
17 3.5 percent per year, whichever is less(~~(, and reducing the awards for~~
18 ~~students who first enrolled as a new student in for-profit institutions~~
19 ~~as of the 2011-2012 academic year or thereafter by fifty percent,~~
20 ~~except that one half of the fifty percent reduction shall be restored~~
21 ~~on July 1, 2013, for students attending regionally accredited for-~~
22 ~~profit institutions)).~~

23 (3) Changes made to the state work study program in the 2009-2011
24 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal
25 biennium including maintaining the increased required employer share of
26 wages; adjusted employer match rates; discontinuation of nonresident
27 student eligibility for the program; and revising distribution methods
28 to institutions by taking into consideration other factors such as off-
29 campus job development, historical utilization trends, and student
30 need.

31 (4) Within the funds appropriated in this section, eligibility for
32 the state need grant shall include students with family incomes at or
33 below 70 percent of the state median family income (MFI), adjusted for
34 family size, and shall include students enrolled in three to five
35 credit-bearing quarter credits, or the equivalent semester credits.
36 Awards for all students shall be adjusted by the estimated amount by
37 which Pell grant increases exceed projected increases in the
38 noninstructional costs of attendance. Awards for students with incomes

1 between 51 and 70 percent of the state median shall be prorated at the
2 following percentages of the award amount granted to those with incomes
3 below 51 percent of the MFI: 70 percent for students with family
4 incomes between 51 and 55 percent MFI; 65 percent for students with
5 family incomes between 56 and 60 percent MFI; 60 percent for students
6 with family incomes between 61 and 65 percent MFI; and 50 percent for
7 students with family incomes between 66 and 70 percent MFI.

8 (5)(a) Students who are eligible for the college bound scholarship
9 shall be given priority for the state need grant program if the
10 students have applied by the institution's priority financial aid
11 deadline and have completed their financial aid file in a timely
12 manner. These eligible college bound students whose family incomes are
13 in the 0-65 median family income ranges shall be awarded the maximum
14 state need grant for which they are eligible under state policies and
15 may not be denied maximum state need grant funding due to institutional
16 policies or delayed awarding of college bound scholarship students.

17 (b) In calculating the college bound award, public institutions of
18 higher education shall be subject to the conditions and limitations in
19 RCW 28B.15.102 and shall not utilize college bound funds to offset
20 tuition costs from rate increases in excess of levels authorized in
21 section 603, chapter 50, Laws of 2011 and those assumed in section 603
22 of this act.

23 (6) (~~(\$36,036,000)~~) \$48,297,000 of the education legacy trust
24 account--state appropriation is provided solely for the college bound
25 scholarship program and may support scholarships for summer session.
26 This amount assumes that college bound scholarship recipients will
27 receive priority for state need grant awards in fiscal year 2014 and
28 fiscal year 2015. If this policy of prioritization is not fully
29 achieved, it is the intent of this legislation to provide supplemental
30 appropriations in the 2014 supplemental operating budget.

31 (7) \$2,236,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$2,236,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for the passport to college
34 program. The maximum scholarship award shall be \$5,000. The board
35 shall contract with a nonprofit organization to provide support
36 services to increase student completion in their postsecondary program
37 and shall, under this contract, provide a minimum of \$500,000 in fiscal
38 years 2014 and 2015 for this purpose.

1 (8) In developing the skilled and educated workforce report
2 pursuant to RCW 28B.77.080(3), the council shall use the bureau of
3 labor statistics analysis of the education and training requirements of
4 occupations, in addition to any other method the council may choose to
5 use, to assess the number and type of higher education and training
6 credentials required to match employer demand for a skilled and
7 educated workforce.

8 (9) \$25,000,000 of the education legacy trust account--state
9 appropriation is provided solely to meet state match requirements
10 associated with the opportunity scholarship program.

11 **Sec. 613.** 2013 2nd sp.s. c 4 s 614 (uncodified) is amended to read
12 as follows:

13 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

14	General Fund--State Appropriation (FY 2014)	((\$1,582,000))
15		<u>\$1,556,000</u>
16	General Fund--State Appropriation (FY 2015)	((\$1,478,000))
17		<u>\$1,464,000</u>
18	General Fund--Federal Appropriation	((\$54,260,000))
19		<u>\$54,823,000</u>
20	<u>General Fund--Private/Local Appropriation</u>	<u>\$44,000</u>
21	TOTAL APPROPRIATION	((\$57,320,000))
22		<u>\$57,887,000</u>

23 The appropriations in this section are subject to the following
24 conditions and limitations: For the 2013-2015 fiscal biennium the
25 board shall not designate recipients of the Washington award for
26 vocational excellence or recognize them at award ceremonies as provided
27 in RCW 28C.04.535.

28 **Sec. 614.** 2013 2nd sp.s. c 4 s 615 (uncodified) is amended to read
29 as follows:

30 **FOR THE DEPARTMENT OF EARLY LEARNING**

31	General Fund--State Appropriation (FY 2014)	((\$34,253,000))
32		<u>\$29,959,000</u>
33	General Fund--State Appropriation (FY 2015)	((\$48,689,000))
34		<u>\$52,415,000</u>
35	General Fund--Federal Appropriation	((\$293,652,000))
36		<u>\$299,640,000</u>

1	<u>General Fund--Private/Local Appropriation</u>	<u>\$50,000</u>
2	Opportunity Pathways Account--State Appropriation	\$80,000,000
3	Home Visiting Services Account--State Appropriation	\$2,868,000
4	Home Visiting Services Account--Federal	
5	Appropriation	\$22,756,000
6	Children's Trust Account--State Appropriation	\$180,000
7	TOTAL APPROPRIATION	(\$482,398,000)
8		<u>\$487,868,000</u>

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

11 (1) \$20,229,000 of the general fund--state appropriation for fiscal
12 year 2014, \$36,474,000 of the general fund--state appropriation for
13 fiscal year 2015, and \$80,000,000 of the opportunity pathways account
14 appropriation are provided solely for the early childhood education
15 assistance program services. Of these amounts, \$10,284,000 is a
16 portion of the biennial amount of state maintenance of effort dollars
17 required to receive federal child care and development fund grant
18 dollars.

19 (2) \$638,000 of the general fund--state appropriation for fiscal
20 year 2014, and \$638,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for child care resource and
22 referral network services.

23 (3) \$200,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$200,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely to develop and provide culturally
26 relevant supports for parents, family, and other caregivers.

27 (4) The department is the lead agency for and recipient of the
28 federal child care and development fund grant. Amounts within this
29 grant shall be used to fund child care licensing, quality initiatives,
30 agency administration, and other costs associated with child care
31 subsidies. The department shall transfer a portion of this grant to
32 the department of social and health services to fund the child care
33 subsidies paid by the department of social and health services on
34 behalf of the department of early learning.

35 (5) \$1,434,000 of the general fund--state appropriation for fiscal
36 year 2014, \$1,434,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for expenditure into the home

1 visiting services account. This funding is intended to meet federal
2 maintenance of effort requirements and to secure private matching
3 funds.

4 (6)(a) \$153,717,000 of the general fund--federal appropriation is
5 provided solely for the working connections child care program under
6 RCW 43.215.135.

7 (b) In addition to groups that were given prioritized access to the
8 working connections child care program effective March 1, 2011, the
9 department shall also give prioritized access into the program to
10 families in which a parent of a child in care is a minor who is not
11 living with a parent or guardian and who is a full-time student in a
12 high school that has a school-sponsored on-site child care center.

13 (7) Within available amounts, the department in consultation with
14 the office of financial management and the department of social and
15 health services shall report quarterly enrollments and active caseload
16 for the working connections child care program to the legislative
17 fiscal committees and the legislative-executive WorkFirst oversight
18 task force. The report shall also identify the number of cases
19 participating in both temporary assistance for needy families and
20 working connections child care.

21 (8) (~~(\$1,025,000)~~) \$1,213,000 of the general fund--state
22 appropriation for fiscal year 2014, (~~(\$1,025,000)~~) \$1,761,000 of the
23 general fund--state appropriation for fiscal year 2015, and \$13,424,000
24 of the general fund--federal appropriation are provided solely for the
25 seasonal child care program. If federal sequestration cuts are
26 realized, cuts to the seasonal child care program must be proportional
27 to other federal reductions made within the department.

28 (9) \$3,572,000 of the general fund--state appropriation for fiscal
29 year 2014, \$2,522,000 of the general fund--state appropriation for
30 fiscal year 2015, and \$4,304,000 of the general fund--federal
31 appropriation are provided solely for the medicaid treatment child care
32 (MTCC) program. The department shall contract for MTCC services to
33 provide therapeutic child care and other specialized treatment services
34 to abused, neglected, at-risk, and/or drug-affected children. Priority
35 for services shall be given to children referred from the department of
36 social and health services children's administration. In addition to
37 referrals made by children's administration, the department shall

1 authorize services for children referred to the MTCC program, as long
2 as the children meet the eligibility requirements as outlined in the
3 Washington state plan for the MTCC program.

4 (a) Of the amounts appropriated in this subsection, \$60,000 per
5 fiscal year may be used by the department for administering the MTCC
6 program, if needed.

7 (b) Of the amounts provided in this subsection, \$1,050,000 of the
8 general fund--state appropriation for fiscal year 2014 is provided
9 solely to continue providing services in the event of losing federal
10 funding for the MTCC program. To the extent that the moneys provided
11 in this subsection (9)(b) are not necessary for this purpose, the
12 amounts provided shall lapse.

13 (10) \$150,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$150,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for a contract with a nonprofit
16 entity experienced in the provision of promoting early literacy for
17 children through pediatric office visits.

18 (11) \$721,000 of the general fund--state appropriation for fiscal
19 year 2014 is provided solely for the department to complete development
20 work of the electronic benefits transfer system.

21 (12) (~~(\$793,000)~~) \$221,000 of the general fund--state appropriation
22 for fiscal year 2014 and (~~(\$796,000)~~) \$1,234,000 of the general fund--
23 state appropriation for fiscal year 2015 are provided solely for
24 implementation of an electronic benefits transfer system. To the
25 maximum extent possible, the department shall work to integrate this
26 system with the department of social and health services payment
27 system. The amounts provided in this subsection are conditioned on the
28 department satisfying the requirements of the project management
29 oversight standards and policies established by the office of the chief
30 information officer.

31 (13) \$32,000 of the general fund--state appropriation for fiscal
32 year 2014 is provided solely for implementation of Second Substitute
33 Senate Bill No. 5595 (child care reform). If the bill is not enacted
34 by June 30, 2013, the amounts provided in this subsection shall lapse.

35 (14)(a)(i) The department of early learning is required to provide
36 to the education research and data center, housed at the office of
37 financial management, data on all state-funded early childhood
38 programs. These programs include the early support for infants and

1 toddlers, early childhood education and assistance program (ECEAP), and
2 the working connections and seasonal subsidized childcare programs
3 including license exempt facilities or family, friend, and neighbor
4 care. The data provided by the department to the education research
5 data center must include information on children who participate in
6 these programs, including their name and date of birth, and dates the
7 child received services at a particular facility.

8 (ii) The ECEAP early learning professionals must enter
9 qualifications into the department's professional development registry
10 during the 2013-14 school year. By October 2015, the department must
11 provide ECEAP early learning professional data to the education
12 research data center.

13 (iii) The department must request federally funded head start
14 programs to voluntarily provide data to the department and the
15 education research data center that is equivalent to what is being
16 provided for state-funded programs.

17 (iv) The education research and data center must provide a report
18 on early childhood program participation and K-12 outcomes to the house
19 of representatives appropriations committee and the senate ways and
20 means committee using available data by November 2013 for the school
21 year ending in 2012 and again in March 2014 for the school year ending
22 in 2013.

23 (b) The department, in consultation with the department of social
24 and health services, must withhold payment for services to early
25 childhood programs that do not report on the name, date of birth, and
26 the dates a child received services at a particular facility.

27 **Sec. 615.** 2013 2nd sp.s. c 4 s 616 (uncodified) is amended to read
28 as follows:

29 **FOR THE STATE SCHOOL FOR THE BLIND**

30	General Fund--State Appropriation (FY 2014)	((\$6,032,000))
31		<u>\$6,036,000</u>
32	General Fund--State Appropriation (FY 2015)	((\$5,805,000))
33		<u>\$5,810,000</u>
34	General Fund--Private/Local Appropriation	\$15,000
35	TOTAL APPROPRIATION	((\$11,852,000))
36		<u>\$11,861,000</u>

1	General Fund--State Appropriation (FY 2015)	((\$1,530,000))
2		<u>\$1,699,000</u>
3	TOTAL APPROPRIATION	((\$3,130,000))
4		<u>\$3,310,000</u>

(End of part)

PART VII

SPECIAL APPROPRIATIONS

Sec. 701. 2013 2nd sp.s. c 4 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 2014), General Fund--State Appropriation (FY 2015), State Building Construction Account--State Appropriation, Columbia River Basin Water Supply Development Account--State Appropriation, State Taxable Building Construction Account--State Appropriation, Debt-Limit Reimbursable Bond Retire Account--State Appropriation, Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation, and Columbia River Basin Taxable Bond Water Supply Development Account--State Appropriation. Total Appropriation is \$1,818,806,000.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

1 General Fund--State Appropriation (FY 2015) ((~~\$1,726,000~~))
 2 \$1,401,000
 3 State Building Construction Account--State
 4 Appropriation ((~~\$867,000~~))
 5 \$2,156,000
 6 Columbia River Basin Water Supply Development
 7 Account--State Appropriation ((~~\$57,000~~))
 8 \$66,000
 9 State Taxable Building Construction Account--State
 10 Appropriation ((~~\$45,000~~))
 11 \$324,000
 12 Hood Canal Aquatic Rehabilitation Bond Account--State
 13 Appropriation \$1,000
 14 Columbia River Basin Taxable Bond Water Supply
 15 Development Account--State Appropriation \$18,000
 16 TOTAL APPROPRIATION ((~~\$4,421,000~~))
 17 \$5,367,000

18 **Sec. 705.** 2013 2nd sp.s. c 4 s 706 (uncodified) is amended to read
 19 as follows:

20 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--DISASTER RESPONSE ACCOUNT**
 21 General Fund--State Appropriation (FY 2014) ((~~\$5,100,000~~))
 22 \$3,600,000
 23 General Fund--State Appropriation (FY 2015) ((~~\$2,500,000~~))
 24 \$1,000,000
 25 TOTAL APPROPRIATION ((~~\$7,600,000~~))
 26 \$4,600,000

27 The appropriations in this section are subject to the following
 28 conditions and limitations: The appropriations are provided solely for
 29 expenditure into the disaster response account for emergency fire
 30 suppression by the department of natural resources and to complete
 31 projects necessary to recover from previously declared disasters.

32 **Sec. 706.** 2013 2nd sp.s. c 4 s 710 (uncodified) is amended to read
 33 as follows:

34 **FOR THE STATE TREASURER--COUNTY PUBLIC HEALTH ASSISTANCE**
 35 General Fund--State Appropriation (FY 2014) \$36,386,000
 36 General Fund--State Appropriation (FY 2015) ((~~\$36,386,000~~))

1 \$34,567,000
 2 TOTAL APPROPRIATION ((\$72,772,000))
 3 \$70,953,000

4 The appropriations in this section are subject to the following
 5 conditions and limitations: The state treasurer shall distribute the
 6 appropriations to the following counties and health districts in the
 7 amounts designated to support public health services, including public
 8 health nursing:

9 Health District	10 FY 2014	11 FY 2015	12 2013-15
			13 Biennium
14 Adams County Health District	\$121,213	(((\$121,213))	(((\$242,426))
		<u>\$115,153</u>	<u>\$236,366</u>
15 Asotin County Health District	\$159,890	(((\$159,890))	(((\$319,780))
		<u>\$151,897</u>	<u>\$311,787</u>
16 Benton-Franklin Health District	\$1,614,337	(((\$1,614,337))	(((\$3,228,674))
		<u>\$1,533,633</u>	<u>\$3,147,970</u>
17 Chelan-Douglas Health District	\$399,634	(((\$399,634))	(((\$799,268))
		<u>\$379,656</u>	<u>\$779,290</u>
18 Clallam County Health and Human Services	\$291,401	(((\$291,401))	(((\$582,802))
19 Department		<u>\$276,833</u>	<u>\$568,234</u>
20 Clark County Health District	\$1,767,341	(((\$1,767,341))	(((\$3,534,682))
		<u>\$1,678,989</u>	<u>\$3,446,330</u>
21 Skamania County Health Department	\$111,327	(((\$111,327))	(((\$222,654))
		<u>\$105,762</u>	<u>\$217,089</u>
22 Columbia County Health District	\$119,991	(((\$119,991))	(((\$239,982))
		<u>\$113,922</u>	<u>\$233,983</u>
23 Cowlitz County Health Department	\$477,981	(((\$477,981))	(((\$955,962))
		<u>\$454,086</u>	<u>\$932,067</u>
24 Garfield County Health District	\$93,154	(((\$93,154))	(((\$186,308))
		<u>\$88,497</u>	<u>\$181,651</u>
25 Grant County Health District	\$297,761	(((\$297,762))	(((\$595,523))
		<u>\$282,876</u>	<u>\$580,637</u>
26 Grays Harbor Health Department	\$335,666	(((\$335,666))	(((\$671,332))
		<u>\$318,885</u>	<u>\$654,551</u>

1	Island County Health Department	\$255,224	<u>(((\$225,224))</u>	<u>(((\$510,448))</u>
2			<u>\$242,465</u>	<u>\$497,689</u>
3	Jefferson County Health and Human Services	\$184,080	<u>(((\$184,080))</u>	<u>(((\$368,160))</u>
4			<u>\$174,878</u>	<u>\$358,958</u>
5	Seattle-King County Department of Public Health	\$10,558,598	<u>(((\$10,558,598))</u>	<u>(((\$21,117,196))</u>
6			<u>\$12,051,350</u>	<u>\$22,609,948</u>
7	Bremerton-Kitsap County Health District	\$997,476	<u>(((\$997,476))</u>	<u>(((\$1,994,952))</u>
8			<u>\$947,610</u>	<u>\$1,945,086</u>
9	Kittitas County Health Department	\$198,979	<u>(((\$198,979))</u>	<u>(((\$397,958))</u>
10			<u>\$189,032</u>	<u>\$388,011</u>
11	Klickitat County Health Department	\$153,784	<u>(((\$153,784))</u>	<u>(((\$307,568))</u>
12			<u>\$146,096</u>	<u>\$299,880</u>
13	Lewis County Health Department	\$263,134	<u>(((\$263,134))</u>	<u>(((\$526,268))</u>
14			<u>\$249,979</u>	<u>\$513,113</u>
15	Lincoln County Health Department	\$113,917	<u>(((\$113,917))</u>	<u>(((\$227,834))</u>
16			<u>\$108,222</u>	<u>\$222,139</u>
17	Mason County Department of Health Services	\$227,448	<u>(((\$227,448))</u>	<u>(((\$454,896))</u>
18			<u>\$216,077</u>	<u>\$443,525</u>
19	Okanogan County Health District	\$169,882	<u>(((\$169,882))</u>	<u>(((\$339,764))</u>
20			<u>\$161,389</u>	<u>\$331,271</u>
21	Pacific County Health Department	\$169,075	<u>(((\$169,075))</u>	<u>(((\$338,150))</u>
22			<u>\$160,623</u>	<u>\$329,698</u>
23	Tacoma-Pierce County Health Department	\$4,143,169	<u>(((\$4,143,169))</u>	<u>(((\$8,286,338))</u>
24			<u>\$3,936,045</u>	<u>\$8,079,214</u>
25	San Juan County Health and Community Services	\$2,253,493	<u>(((\$2,253,493))</u>	<u>(((\$4,506,986))</u>
26			<u>\$120,242</u>	<u>\$2,373,734</u>
27	Skagit County Health Department	\$449,745	<u>(((\$449,745))</u>	<u>(((\$899,490))</u>
28			<u>\$427,261</u>	<u>\$877,006</u>
29	Snohomish Health District	\$3,433,291	<u>(((\$3,433,291))</u>	<u>(((\$6,866,582))</u>
30			<u>\$3,261,655</u>	<u>\$6,694,946</u>
31	Spokane County Health District	\$2,877,318	<u>(((\$2,877,318))</u>	<u>(((\$5,574,636))</u>
32			<u>\$2,733,476</u>	<u>\$5,610,794</u>
33	Northeast Tri-County Health District	\$249,303	<u>(((\$249,303))</u>	<u>(((\$498,606))</u>
34			<u>\$236,840</u>	<u>\$486,143</u>
35	Thurston County Health Department	\$1,046,897	<u>(((\$1,046,897))</u>	<u>(((\$2,093,794))</u>
36			<u>\$994,561</u>	<u>\$2,041,458</u>

1	Wahkiakum County Health Department	\$93,181	(\$9,180)	(\$186,361)
2			<u>\$88,522</u>	<u>\$181,703</u>
3	Walla Walla County-City Health Department	\$302,173	(\$302,173)	(\$604,346)
4			<u>\$287,067</u>	<u>\$589,240</u>
5	Whatcom County Health Department	\$1,214,301	(\$1,214,301)	(\$2,428,602)
6			<u>\$1,153,596</u>	<u>\$2,367,897</u>
7	Whitman County Health Department	\$189,355	(\$189,355)	(\$378,710)
8			<u>\$179,889</u>	<u>\$369,244</u>
9	Yakima Health District	\$1,052,482	(\$1,052,482)	(\$2,104,964)
10			<u>\$999,867</u>	<u>\$2,052,349</u>
11				
12	TOTAL APPROPRIATIONS	\$36,386,001	(\$36,386,001)	(\$72,772,002)
13			<u>\$34,567,000</u>	<u>\$70,953,000</u>

14 NEW SECTION. **Sec. 707.** A new section is added to 2013 2nd sp.s.
15 c 4 (uncodified) to read as follows:

16 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**
17 **COSTS**

18 General Fund--State Appropriation (FY 2014) \$1,126,000

19 The appropriation in this section is subject to the following
20 conditions and limitations: The director of financial management shall
21 distribute \$942,000 to Clallam county, \$148,000 to Mason county, and
22 \$36,000 to Klickitat county for extraordinary criminal justice costs
23 pursuant to RCW 43.330.190.

24 NEW SECTION. **Sec. 708.** A new section is added to 2013 2nd sp.s.
25 c 4 (uncodified) to read as follows:

26 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--ATTORNEY GENERAL EXPENSES**

27 General Fund--State Appropriation (FY 2014) \$994,000

28 General Fund--State Appropriation (FY 2015) \$2,217,000

29 Dedicated Funds and Accounts Appropriation \$4,785,000

30 TOTAL APPROPRIATION \$7,996,000

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

33 (1) The appropriations in this section are provided solely to
34 provide state agency expenditure authority for increased legal services

1 from the attorney general's office, including attorney salary
2 adjustments to address recruitment and retention issues.

3 (2) The appropriation from dedicated funds and accounts shall be
4 made in the amounts specified and from the dedicated funds and accounts
5 specified in LEAP Document dated February . . . , 2014, which is
6 hereby incorporated by reference. The office of financial management
7 shall allocate the moneys appropriated in this section in the amounts
8 specified and to the state agencies specified in LEAP Document
9 and adjust appropriation schedules accordingly. The office of
10 financial management shall make any further allotment adjustments
11 necessary to reflect agency mergers or consolidations assumed in this
12 act.

13 NEW SECTION. **Sec. 709.** A new section is added to 2013 2nd sp.s.
14 c 4 (uncodified) to read as follows:

15 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF ADMINISTRATIVE**
16 **HEARINGS EXPENSES**

17	General Fund--State Appropriation (FY 2014)	\$16,000
18	General Fund--State Appropriation (FY 2015)	\$36,000
19	Dedicated Funds and Accounts Appropriation	\$151,000
20	TOTAL APPROPRIATION	\$203,000

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

23 (1) The appropriations in this section are provided solely to
24 provide state agency expenditure authority for funding the replacement
25 of laptop and desktop computers in the office of administrative
26 hearings.

27 (2) The appropriation from dedicated funds and accounts shall be
28 made in the amounts specified and from the dedicated funds and accounts
29 specified in LEAP Document dated February . . . , 2014, which
30 is hereby incorporated by reference. The office of financial
31 management shall allocate the moneys appropriated in this section in
32 the amounts specified and to the state agencies specified in LEAP
33 Document and adjust appropriation schedules accordingly. The
34 office of financial management shall make any further allotment
35 adjustments necessary to reflect agency mergers or consolidations
36 assumed in this act.

1 NEW SECTION. **Sec. 710.** A new section is added to 2013 2nd sp.s.
2 c 4 (uncodified) to read as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--DEPARTMENT OF ENTERPRISE**
4 **SERVICES--CENTRAL SERVICES**

5	General Fund--State Appropriation (FY 2015)	\$(1,728,000)
6	Dedicated Funds and Accounts Appropriation	\$(1,468,000)
7	TOTAL APPROPRIATION	\$(3,196,000)

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

10 (1) The appropriations in this section are provided solely to
11 reduce state agency appropriations to reflect reduced agency
12 expenditures for central services provided by the department of
13 enterprise services, including the access Washington web portal,
14 one-stop business portal, the small agency human resources service,
15 personnel services, and subsidized printer services.

16 (2) The reductions in state agency appropriations from the state
17 general fund and dedicated funds and accounts shall be made in the
18 amounts and agencies specified and from the funds and accounts
19 specified in LEAP Document dated February . . . , 2014, which
20 is hereby incorporated by reference. The office of financial
21 management shall adjust appropriation schedules accordingly. The
22 office of financial management shall make any further allotment
23 adjustments necessary to reflect agency mergers or consolidations
24 assumed in this act.

25 NEW SECTION. **Sec. 711.** A new section is added to 2013 2nd sp.s.
26 c 4 (uncodified) to read as follows:

27 **FOR SUNDRY CLAIMS**

28 The following sums, or so much thereof as may be necessary, are
29 appropriated from the general fund for fiscal year 2014, unless
30 otherwise indicated, for relief of various individuals, firms, and
31 corporations for sundry claims. These appropriations are to be
32 disbursed on vouchers approved by the director of the department of
33 enterprise services, except as otherwise provided, for reimbursement of
34 criminal defendants acquitted on the basis of self-defense, pursuant to
35 RCW 9A.16.110, as follows:

36	(1) Tony M. Noble, claim number 99970075	\$5,670
37	(2) Patrick Earl, claim number 99970076	\$2,799

1 notify the treasurer to distribute the funds provided in this section
2 to the counties, cities, and towns in the following proportions: (a)
3 Twenty percent of the moneys must be divided among and distributed to
4 the counties of the state in accordance with the provisions of RCW
5 66.08.200; and (b) eighty percent of the moneys must be divided among
6 and distributed to the cities and towns of the state in accordance with
7 the provisions of RCW 66.08.210. If the director does not make a
8 determination by June 30, 2015, the amount provided in this section
9 shall lapse.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2013 2nd sp.s. c 4 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 ((~~\$8,248,000~~))
\$8,591,000

General Fund Appropriation for public utility district excise tax distributions ((~~\$50,894,000~~))
\$53,709,000

General Fund Appropriation for prosecuting attorney distributions ((~~\$6,068,000~~))
\$5,985,000

General Fund Appropriation for boating safety and education distributions \$4,000,000

General Fund Appropriation for other tax distributions \$65,000

General Fund Appropriation for habitat conservation program distributions ((~~\$3,000,000~~))
\$3,154,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies \$3,158,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$146,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties ((~~\$72,120,000~~))
\$76,932,000

County Criminal Justice Assistance Appropriation.
When making the fiscal year 2015 distribution to Grant county, the state treasurer shall reduce the amount by \$140,000 and distribute the remainder to the county. This is the first of three reductions that will be made to reimburse the state for a nonqualifying extraordinary criminal justice act payment made to Grant county in fiscal

1	<u>year 2013</u>	(((\$78,983,000)))
2		<u>\$78,721,000</u>
3	Municipal Criminal Justice Assistance	
4	Appropriation	(((\$30,550,000)))
5		<u>\$30,519,000</u>
6	City-County Assistance Account Appropriation for local	
7	government financial assistance distribution	(((\$17,134,000)))
8		<u>\$19,584,000</u>
9	Liquor Excise Tax Account Appropriation for liquor	
10	excise tax distribution	(((\$24,744,000)))
11		<u>\$17,191,000</u>
12	Streamlined Sales and Use Tax Mitigation Account	
13	Appropriation for distribution to local taxing	
14	jurisdictions to mitigate the unintended revenue	
15	redistribution effect of the sourcing law	
16	changes	(((\$50,488,000)))
17		<u>\$49,420,000</u>
18	Columbia River Water Delivery Account Appropriation for	
19	the Confederated Tribes of the Colville	
20	Reservation	(((\$7,760,000)))
21		<u>\$7,752,000</u>
22	Columbia River Water Delivery Account Appropriation for	
23	the Spokane Tribe of Indians	(((\$5,025,000)))
24		<u>\$5,011,000</u>
25	Liquor Revolving Account Appropriation for liquor	
26	profits distribution	\$98,876,000
27	TOTAL APPROPRIATION	(((\$434,259,000)))
28		<u>\$462,814,000</u>

29 The total expenditures from the state treasury under the
30 appropriations in this section shall not exceed the funds available
31 under statutory distributions for the stated purposes.

32 **Sec. 802.** 2013 2nd sp.s. c 4 s 802 (uncodified) is amended to read
33 as follows:

34 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
35 **ACCOUNT**

36	Impaired Driver Safety Account Appropriation	(((\$2,469,000)))
37		<u>\$2,409,000</u>

1 The appropriation in this section is subject to the following
2 conditions and limitations: The amount appropriated in this section
3 shall be distributed quarterly during the 2013-2015 fiscal biennium in
4 accordance with RCW 82.14.310. This funding is provided to counties
5 for the costs of implementing criminal justice legislation including,
6 but not limited to: Chapter 206, Laws of 1998 (drunk driving
7 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
8 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
9 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
10 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
11 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
12 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
13 215, Laws of 1998 (DUI provisions).

14 **Sec. 803.** 2013 2nd sp.s. c 4 s 803 (uncodified) is amended to read
15 as follows:

16 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**
17 Impaired Driver Safety Account Appropriation (~~(\$1,646,000)~~)
18 \$1,606,000

19 The appropriation in this section is subject to the following
20 conditions and limitations: The amount appropriated in this section
21 shall be distributed quarterly during the 2013-2015 fiscal biennium to
22 all cities ratably based on population as last determined by the office
23 of financial management. The distributions to any city that
24 substantially decriminalizes or repeals its criminal code after July 1,
25 1990, and that does not reimburse the county for costs associated with
26 criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the
27 county in which the city is located. This funding is provided to
28 cities for the costs of implementing criminal justice legislation
29 including, but not limited to: Chapter 206, Laws of 1998 (drunk
30 driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter
31 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
32 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
33 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
34 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
35 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
36 215, Laws of 1998 (DUI provisions).

1 State Taxable Building Construction Account: For
2 transfer to the Columbia River basin taxable bond
3 water supply development account, an amount not to
4 exceed \$32,000,000
5 Employment Training Finance Account: For transfer to
6 the state general fund, \$1,000,000 for fiscal year
7 2014 and \$1,000,000 for fiscal year 2015 \$2,000,000
8 Tuition Recovery Trust Account: For transfer to the
9 state general fund, \$1,250,000 for fiscal year 2014
10 and \$1,250,000 for fiscal year 2015 \$2,500,000
11 General Fund: For transfer to the child and family
12 reinvestment account, (~~(\$3,800,000)~~) \$1,656,000 for
13 fiscal year 2014 and (~~(\$2,691,000)~~) \$992,000
14 for fiscal year 2015 (~~(\$6,491,000)~~)
15 \$2,648,000
16 Flood Control Assistance Account: For transfer to the
17 state general fund, \$1,000,000 for fiscal year 2014
18 and \$1,000,000 for fiscal year 2015 \$2,000,000
19 Tobacco Settlement Account: For transfer to the state
20 general fund, in an amount not to exceed the actual
21 amount of the annual base payment to the tobacco
22 settlement account (~~(\$157,221,000)~~)
23 \$168,053,000
24 Tobacco Settlement Account: For transfer to the state
25 general fund from the amounts deposited in the
26 account that are attributable to the annual
27 strategic contribution payment received in
28 fiscal year 2014 \$17,000,000
29 Tobacco Settlement Account: For transfer to the state
30 general fund from the amounts deposited in the
31 account that are attributable to the annual
32 strategic contribution payment received in fiscal
33 year 2015 \$17,000,000
34 It is the intent of the legislature to transfer the full amounts
35 received as strategic contribution payments in the tobacco settlement
36 account to the education legacy trust account in the 2015-2017 fiscal
37 biennium.
38 Tobacco Settlement Account: For transfer to the life

1 sciences discovery fund, in an amount not to exceed
2 the actual remaining amount of the annual strategic
3 contribution payment to the tobacco settlement account
4 for fiscal year 2014 \$9,515,000

5 Tobacco Settlement Account: For transfer to the life
6 sciences discovery fund, in an amount not to exceed
7 the actual remaining amount of the annual strategic
8 contribution payment to the tobacco settlement account
9 for fiscal year 2015 \$9,515,000

10 The transfer to the life sciences discovery fund is subject to the
11 following conditions:

12 ~~(1) ((The life sciences discovery fund authority board of trustees~~
13 ~~shall begin preparing to become a self-sustaining entity capable of~~
14 ~~operating without direct state subsidy by the time the tobacco~~
15 ~~strategic contribution supplemental payments end in fiscal year 2017.))~~
16 The life sciences discovery fund authority board of trustees shall
17 terminate all funding for contracts by June 30, 2014.

18 (2) \$250,000 of the appropriation in fiscal year 2014 ((and
19 ~~\$250,000 of the appropriation in fiscal year 2015 are~~)) is provided
20 solely to promote the development and delivery of global health
21 technologies and products.

22 (a) The life sciences discovery fund authority must either
23 administer a grant application, review, and reward process, or contract
24 with a qualified nonprofit organization for these services. State
25 moneys must be provided for grants to entities for the development,
26 production, promotion, and delivery of global health technologies and
27 products. Grant award criteria must include:

28 (i) The quality of the proposed research or the proposed technical
29 assistance in product development or production process design. Any
30 grant funds awarded for research activities must be awarded for
31 nonbasic research that will assist in the commercialization or
32 manufacture of global health technologies;

33 (ii) The potential for the grant recipient to improve global health
34 outcomes;

35 (iii) The potential for the grant to leverage additional funding
36 for the development of global health technologies and products;

37 (iv) The potential for the grant to stimulate, or promote technical

1 skills training for, employment in the development of global health
2 technologies in the state; and

3 (v) The willingness of the grant recipient, when appropriate, to
4 enter into royalty or licensing income agreements with the authority.

5 ~~((b) The authority, or the contractor of the authority, must
6 report information including the types of products and research funded,
7 the funding leveraged by the grants, and the number and types of jobs
8 created as a result of the grants, to the economic development
9 committees of the legislature by December 1, 2014.))~~

10 Life Sciences Discovery Fund: For transfer to the education legacy
11 trust account, \$34,253,000 for fiscal year 2015 \$34,253,000

12 Aquatic Lands Enhancement Account: For transfer to the
13 geoduck aquaculture research account, \$150,000 for
14 fiscal year 2014 and \$150,000 for fiscal year 2015 \$300,000

15 Health Benefit Exchange Account: For transfer to the
16 state general fund for fiscal year 2015 \$21,514,000

17 Criminal Justice Treatment Account: For transfer to the
18 state general fund, \$437,000 for fiscal year 2014
19 and \$2,746,000 for fiscal year 2015 \$3,183,000

20 Resources Management Cost Account--Aquatics: For transfer
21 to the marine resources stewardship trust account,
22 \$1,850,000 for fiscal year 2014 and \$1,850,000 for
23 fiscal year 2015 \$3,700,000

24 Legal Services Revolving Account: For transfer to the
25 state general fund, \$976,000 for fiscal year 2014
26 and \$1,477,000 for fiscal year 2015 \$2,453,000

27 Personnel Service Account: For transfer to the state
28 general fund, \$733,000 for fiscal year 2014 and
29 \$733,000 for fiscal year 2015 \$1,466,000

30 Data Processing Revolving Account: For transfer to the
31 state general fund, \$4,069,000 for fiscal year 2014
32 and \$4,070,000 for fiscal year 2015 \$8,139,000

33 Home Security Fund Account: For transfer to the
34 transitional housing operating and rent account \$7,500,000

35 Professional Engineers' Account: For transfer to the
36 state general fund, \$956,000 for fiscal year 2014 and
37 \$957,000 for fiscal year 2015 \$1,913,000

38 Electrical License Account: For transfer to the state

1 general fund, \$1,700,000 for fiscal year 2014 and
2 \$1,700,000 for fiscal year 2015 \$3,400,000
3 Business and Professions Account: For transfer to the
4 state general fund, (~~(\$1,838,000)~~) \$2,838,000 for fiscal
5 year 2014 and (~~(\$1,800,000)~~) \$2,800,000 for fiscal
6 year 2015 (~~(\$3,638,000)~~) \$5,638,000
7 Energy Freedom Account: For transfer to the state
8 general fund, (~~(\$1,000,000)~~) \$2,850,000 for fiscal
9 year 2014 and (~~(\$1,000,000)~~) \$2,850,000 for fiscal
10 year 2015 (~~(\$2,000,000)~~) \$5,700,000
11 Pollution Liability Insurance Program Trust Account:
12 For transfer to the state general fund, \$2,500,000
13 for fiscal year 2014 and \$2,500,000 for fiscal year
14 2015 \$5,000,000
15 Real Estate Commission Account: For transfer to the
16 state general fund, \$1,700,000 for fiscal year 2014
17 and \$1,700,000 for fiscal year 2015 \$3,400,000
18 State Lottery Account: For transfer to the education
19 legacy trust account, \$6,050,000 for fiscal year 2014
20 and \$6,050,000 for fiscal year 2015 \$12,100,000
21 State Toxics Control Account: For transfer to the
22 radioactive mixed waste account, \$2,000,000 for fiscal
23 year 2014 \$2,000,000

(End of part)

1 domestic partner where the spouse or domestic partner has chosen not to
2 enroll in other employer-based group health insurance that has benefits
3 and premiums with an actuarial value of not less than 95 percent of the
4 actuarial value of the public employees' benefits board plan with the
5 largest enrollment.

6 (c) Consistent with the implementation of managed competition, the
7 public employees benefits board must establish premium rates for
8 consumer directed health plans at levels that reflect the projected
9 lower enrollee claim expenses resulting from higher point-of-service
10 cost sharing in those plans.

11 (d) All savings resulting from reduced claim costs or other factors
12 identified after September 30, 2013, must be reserved for funding
13 employee health benefits in the 2015-2017 fiscal biennium.

14 (e) The health care authority shall deposit any moneys received on
15 behalf of the uniform medical plan as a result of rebates on
16 prescription drugs, audits of hospitals, subrogation payments, or any
17 other moneys recovered as a result of prior uniform medical plan claims
18 payments, into the public employees' and retirees' insurance account to
19 be used for insurance benefits. Such receipts shall not be used for
20 administrative expenditures.

21 (2) The health care authority, subject to the approval of the
22 public employees' benefits board, shall provide subsidies for health
23 benefit premiums to eligible retired or disabled public employees and
24 school district employees who are eligible for medicare, pursuant to
25 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
26 shall be up to \$150 per month.

27 **Sec. 902.** 2013 2nd sp.s. c 4 s 933 (uncodified) is amended to read
28 as follows:

29 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**
30 **BENEFITS**

31 Appropriations for state agencies in this act are sufficient for
32 represented employees outside the super coalition for health benefits,
33 and are subject to the following conditions and limitations:

34 (1)(a) The monthly employer funding rate for insurance benefit
35 premiums, wellness programs, and similar benefits or services for
36 members of public employee benefits board health plans, public
37 employees' benefits board administration, and the uniform medical plan,

1 shall not exceed \$782 per eligible employee for fiscal year 2014. For
2 fiscal year 2015 the monthly employer funding rate shall not exceed
3 ((~~\$763~~)) \$703 per eligible employee.

4 (b) In order to achieve the level of funding provided for health
5 benefits, the public employees' benefits board shall require or make
6 any or all of the following: Employee premium copayments, increases in
7 point-of-service cost sharing, the implementation of managed
8 competition, or other changes to benefits consistent with RCW
9 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
10 surcharge to the premiums due from members who use tobacco products and
11 a surcharge of not less than \$50 per month to the premiums due from
12 members who cover a spouse or domestic partner where the spouse or
13 domestic partner has chosen not to enroll in other employer-based group
14 health insurance that has benefits and premiums with an actuarial value
15 of not less than 95 percent of the actuarial value of the public
16 employees' benefits board plan with the largest enrollment.

17 (c) Consistent with the implementation of managed competition, the
18 public employees benefits board must establish premium rates for
19 consumer directed health plans at levels that reflect the projected
20 lower enrollee claim expenses resulting from higher point-of-service
21 cost sharing in those plans.

22 (d) All savings resulting from reduced claim costs or other factors
23 identified after September 30, 2013, must be reserved for funding
24 employee health benefits in the 2015-2017 fiscal biennium.

25 (e) The health care authority shall deposit any moneys received on
26 behalf of the uniform medical plan as a result of rebates on
27 prescription drugs, audits of hospitals, subrogation payments, or any
28 other moneys recovered as a result of prior uniform medical plan claims
29 payments, into the public employees' and retirees' insurance account to
30 be used for insurance benefits. Such receipts shall not be used for
31 administrative expenditures.

32 (2) The health care authority, subject to the approval of the
33 public employees' benefits board, shall provide subsidies for health
34 benefit premiums to eligible retired or disabled public employees and
35 school district employees who are eligible for medicare, pursuant to
36 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
37 shall be up to \$150 per month.

1 **Sec. 903.** 2013 2nd sp.s. c 4 s 937 (uncodified) is amended to read
2 as follows:

3 **COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--SEIU LOCAL 925**
4 **CHILDCARE WORKERS**

5 (1) An agreement has been reached between the governor and the
6 service employees international union local 925 under the provisions of
7 chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is
8 provided for increases to health care, scholarship funding and
9 non-standard hours bonus.

10 (2) An agreement has been reached between the governor and the
11 service employees international union local 925 under the provisions of
12 chapter 41.56 RCW for fiscal year 2015. Funding is provided to
13 increase the child care subsidy rates for licensed and exempt family
14 child care providers by four percent on July 1, 2014, and another four
15 percent on January 1, 2015. Two million dollars is also provided to
16 fund an early achievers tiered reimbursement pilot project for licensed
17 family child care providers.

18 **Sec. 904.** 2013 2nd sp.s. c 4 s 939 (uncodified) is amended to read
19 as follows:

20 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

21 Appropriations for state agencies in this act are sufficient for
22 nonrepresented state employee health benefits for state agencies,
23 including institutions of higher education, and are subject to the
24 following conditions and limitations:

25 (1)(a) The monthly employer funding rate for insurance benefit
26 premiums, wellness programs, and similar benefits or services for
27 members of public employee benefits board health plans, public
28 employees' benefits board administration, and the uniform medical plan,
29 shall not exceed \$782 per eligible employee for fiscal year 2014. For
30 fiscal year 2015 the monthly employer funding rate shall not exceed
31 ~~((\$763))~~ \$703 per eligible employee.

32 (b) In order to achieve the level of funding provided for health
33 benefits, the public employees' benefits board shall require or make
34 any or all of the following: Employee premium copayments, increases in
35 point-of-service cost sharing, the implementation of managed
36 competition, or other changes to benefits consistent with RCW
37 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month

1 surcharge to the premiums due from members who use tobacco products and
2 a surcharge of not less than \$50 per month to the premiums due from
3 members who cover a spouse or domestic partner where the spouse or
4 domestic partner has chosen not to enroll in other employer-based group
5 health insurance that has benefits and premiums with an actuarial value
6 of not less than 95 percent of the actuarial value of the public
7 employees' benefits board plan with the largest enrollment.

8 (c) Consistent with the implementation of managed competition, the
9 public employees benefits board must establish premium rates for
10 consumer directed health plans at levels that reflect the projected
11 lower enrollee claim expenses resulting from higher point-of-service
12 cost sharing in those plans.

13 (d) All savings resulting from reduced claim costs or other factors
14 identified after September 30, 2013, must be reserved for funding
15 employee health benefits in the 2015-2017 fiscal biennium.

16 (e) The health care authority shall deposit any moneys received on
17 behalf of the uniform medical plan as a result of rebates on
18 prescription drugs, audits of hospitals, subrogation payments, or any
19 other moneys recovered as a result of prior uniform medical plan claims
20 payments, into the public employees' and retirees' insurance account to
21 be used for insurance benefits. Such receipts shall not be used for
22 administrative expenditures.

23 (2) The health care authority, subject to the approval of the
24 public employees' benefits board, shall provide subsidies for health
25 benefit premiums to eligible retired or disabled public employees and
26 school district employees who are eligible for medicare, pursuant to
27 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
28 shall be up to \$150 per month.

29 (3) Technical colleges, school districts, and educational service
30 districts shall remit to the health care authority for deposit into the
31 public employees' and retirees' insurance account established in RCW
32 41.05.120 the following amounts:

33 (a) For each full-time employee, \$64.40 per month beginning
34 September 1, 2013, and \$70.39 beginning September 1, 2014; and

35 (b) For each part-time employee, who at the time of the remittance
36 is employed in an eligible position as defined in RCW 41.32.010 or
37 41.40.010 and is eligible for employer fringe benefit contributions for
38 basic benefits, \$64.40 each month beginning September 1, 2013, and

1 \$70.39 beginning September 1, 2014, prorated by the proportion of
2 employer fringe benefit contributions for a full-time employee that the
3 part-time employee receives. The remittance requirements specified in
4 this subsection (3) shall not apply to employees of a technical
5 college, school district, or educational service district who purchase
6 insurance benefits through contracts with the health care authority.

7 **Sec. 905.** 2013 2nd sp.s. c 4 s 943 (uncodified) is amended to read
8 as follows:

9 **ACQUISITION OF INFORMATION TECHNOLOGY PROJECTS THROUGH FINANCIAL**
10 **CONTRACTS**

11 (1) Financial contracts for the acquisition of the information
12 technology projects authorized in this section must be approved jointly
13 by the office of the financial management and the office of the chief
14 information officer. Information technology projects funded under this
15 section shall meet the following requirements:

16 (a) The project reduces costs and achieves economies of scale by
17 leveraging statewide investments in systems and data and other common
18 or enterprise-wide solutions within and across state agencies;

19 (b) The project begins or continues replacement of legacy
20 information technology systems and replacing these systems with modern
21 and more efficient information technology systems;

22 (c) The project improves the ability of an agency to recover from
23 major disaster;

24 (d) The project provides future savings and efficiencies for an
25 agency through reduced operating costs, improved customer service, or
26 increased revenue collections; and

27 (e) Preference for project approval must be given to an agency that
28 has prior approval from the office of the chief information officer, an
29 approved business plan, and where the primary hurdle to project funding
30 is the lack of funding capacity.

31 (2) The following state agencies may enter into financial contracts
32 to finance expenditures for the acquisition and implementation of the
33 following information technology projects for up to the respective
34 amounts indicated, plus financing expenses and required reserves
35 pursuant to chapter 39.94 RCW:

36 (a) Subject to subsection (4) of this section, ((\$10,000,000))

1 \$13,500,000 for the department of enterprise services time, leave, and
2 attendance pilot project;

3 (b) \$3,867,000 for the Washington state patrol for continuation of
4 the mobile office platform;

5 (c) (~~(\$8,500,000 for the department of social and health services~~
6 ~~conversion to the tenth version of the world health organization's~~
7 ~~international classification of diseases;~~

8 ~~(d) \$5,558,000~~) \$3,315,000 for the department of early learning
9 system implementation of electronic benefit transfers;

10 ~~((e))~~ (d) \$4,323,000 for the department of corrections for radio
11 infrastructure upgrades.

12 (3) The office of financial management with assistance from the
13 office of the chief information officer will report to the governor and
14 fiscal committees of the legislature by November 1st of each year on
15 the status of distributions and expenditures on information technology
16 projects and improved statewide or agency performance results achieved
17 by project funding.

18 (4) If the Washington state department of transportation enters
19 into financial contracts pursuant to chapter 39.94 RCW for the
20 acquisition and implementation of a time, leave, and labor distribution
21 system, the authorization provided to the department of enterprise
22 services in subsection (2)(a) of this section expires.

23 NEW SECTION. Sec. 906. A new section is added to chapter 28A.710
24 RCW to read as follows:

25 The charter schools oversight account is hereby created in the
26 state treasury. All moneys received by the commission under RCW
27 28A.710.110 must be deposited into the account. Moneys in the account
28 may be spent only after appropriation. Expenditures from the account
29 may be used only for the purposes of this chapter.

30 Sec. 907. RCW 41.05.130 and 1988 c 107 s 11 are each amended to
31 read as follows:

32 The state health care authority administrative account is hereby
33 created in the state treasury. Moneys in the account, including
34 unanticipated revenues under RCW 43.79.270, may be spent only after
35 appropriation by statute, and may be used only for operating expenses

1 of the authority, and during the 2013-2015 fiscal biennium, for health
2 care related analysis provided to the legislature by the office of the
3 state actuary.

4 **Sec. 908.** RCW 43.43.839 and 2010 1st sp.s. c 37 s 922 are each
5 amended to read as follows:

6 The fingerprint identification account is created in the custody of
7 the state treasurer. All receipts from incremental charges of
8 fingerprint checks requested for noncriminal justice purposes and
9 electronic background requests shall be deposited in the account.
10 Receipts for fingerprint checks by the federal bureau of investigation
11 may also be deposited in the account. Expenditures from the account
12 may be used only for the cost of record checks. Only the chief of the
13 state patrol or the chief's designee may authorize expenditures from
14 the account. The account is subject to allotment procedures under
15 chapter 43.88 RCW. No appropriation is required for expenditures prior
16 to July 1, 1997. After June 30, 1997, the account shall be subject to
17 appropriation. During the 2009-2011 fiscal biennium, the legislature
18 may transfer from the fingerprint identification account to the state
19 general fund such amounts as reflect the excess fund balance of the
20 account. During the 2013-2015 fiscal biennium, funds in the account
21 may be used for expenditures that support the criminal records
22 management division of the state patrol.

23 **Sec. 909.** RCW 43.101.220 and 2009 c 146 s 2 are each amended to
24 read as follows:

25 (1) The corrections personnel of the state and all counties and
26 municipal corporations initially employed on or after January 1, 1982,
27 shall engage in basic corrections training which complies with
28 standards adopted by the commission. The training shall be
29 successfully completed during the first six months of employment of the
30 personnel, unless otherwise extended or waived by the commission, and
31 shall be requisite to the continuation of employment.

32 (2) The commission shall provide the training required in this
33 section, together with facilities, supplies, materials, and the room
34 and board for noncommuting attendees, except during the 2013-2015
35 fiscal biennium, when the employing county, municipal corporation, or

1 state agency shall reimburse the commission for twenty-five percent of
2 the cost of training its personnel.

3 (3)(a) Subsections (1) and (2) of this section do not apply to the
4 Washington state department of corrections prisons division. The
5 Washington state department of corrections is responsible for
6 identifying training standards, designing curricula and programs, and
7 providing the training for those corrections personnel employed by it.
8 In doing so, the secretary of the department of corrections shall
9 consult with staff development experts and correctional professionals
10 both inside and outside of the agency, to include soliciting input from
11 labor organizations.

12 (b) The commission and the department of corrections share the
13 responsibility of developing and defining training standards and
14 providing training for community corrections officers employed within
15 the community corrections division of the department of corrections.

16 **Sec. 910.** RCW 43.320.110 and 2011 2nd sp.s. c 9 s 909 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 2011-2013 fiscal biennium, the legislature may transfer
34 from the financial services regulation fund to the state general fund
35 such amounts as reflect the excess fund balance of the fund.

36 During the 2013-2015 fiscal biennium, moneys available in the

1 financial services regulation fund may be expended on the authorization
2 of the director of the department of commerce solely for the purpose of
3 funding local mediation and alternative dispute resolution centers.

4 **Sec. 911.** RCW 43.350.070 and 2011 c 5 s 916 are each amended to
5 read as follows:

6 The life sciences discovery fund is created in the custody of the
7 state treasurer. Only the board or the board's designee may authorize
8 expenditures from the fund. Expenditures from the fund may be made
9 only for purposes of this chapter. Administrative expenses of the
10 authority, including staff support, may be paid only from the fund.
11 Revenues to the fund consist of transfers made by the legislature from
12 strategic contribution payments deposited in the tobacco settlement
13 account under RCW 43.79.480, moneys received pursuant to contribution
14 agreements entered into pursuant to RCW 43.350.030, moneys received
15 from gifts, grants, and bequests, and interest earned on the fund.
16 During the ((2009-2011)) 2013-2015 fiscal biennium, the legislature may
17 transfer to other state funds or accounts such amounts as represent the
18 ((~~excess~~)) balance of the life sciences discovery fund.

19 **Sec. 912.** RCW 50.16.010 and 2013 c 189 s 1 are each amended to
20 read as follows:

21 (1) There shall be maintained as special funds, separate and apart
22 from all public moneys or funds of this state an unemployment
23 compensation fund and an administrative contingency fund, which shall
24 be administered by the commissioner exclusively for the purposes of
25 this title, and to which RCW 43.01.050 shall not be applicable.

26 (2)(a) The unemployment compensation fund shall consist of:

27 (i) All contributions collected under RCW 50.24.010 and payments in
28 lieu of contributions collected pursuant to the provisions of this
29 title;

30 (ii) Any property or securities acquired through the use of moneys
31 belonging to the fund;

32 (iii) All earnings of such property or securities;

33 (iv) Any moneys received from the federal unemployment account in
34 the unemployment trust fund in accordance with Title XII of the social
35 security act, as amended;

1 (v) All money recovered on official bonds for losses sustained by
2 the fund;

3 (vi) All money credited to this state's account in the unemployment
4 trust fund pursuant to section 903 of the social security act, as
5 amended;

6 (vii) All money received from the federal government as
7 reimbursement pursuant to section 204 of the federal-state extended
8 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304);

9 (viii) The portion of the additional penalties as provided in RCW
10 50.20.070(2) that is fifteen percent of the amount of benefits overpaid
11 or deemed overpaid; and

12 (ix) All moneys received for the fund from any other source.

13 (b) All moneys in the unemployment compensation fund shall be
14 commingled and undivided.

15 (3)(a) Except as provided in (b) of this subsection, the
16 administrative contingency fund shall consist of:

17 (i) All interest on delinquent contributions collected pursuant to
18 this title;

19 (ii) All fines and penalties collected pursuant to the provisions
20 of this title, except the portion of the additional penalties as
21 provided in RCW 50.20.070(2) that is fifteen percent of the amount of
22 benefits overpaid or deemed overpaid;

23 (iii) All sums recovered on official bonds for losses sustained by
24 the fund; and

25 (iv) Revenue received under RCW 50.24.014.

26 (b) All fees, fines, forfeitures, and penalties collected or
27 assessed by a district court because of the violation of this title or
28 rules adopted under this title shall be remitted as provided in chapter
29 3.62 RCW.

30 (c) Except as provided in (d) of this subsection, moneys available
31 in the administrative contingency fund, other than money in the special
32 account created under RCW 50.24.014, shall be expended upon the
33 direction of the commissioner, with the approval of the governor,
34 whenever it appears to him or her that such expenditure is necessary
35 solely for:

36 (i) The proper administration of this title and that insufficient
37 federal funds are available for the specific purpose to which such

1 expenditure is to be made, provided, the moneys are not substituted for
2 appropriations from federal funds which, in the absence of such moneys,
3 would be made available.

4 (ii) The proper administration of this title for which purpose
5 appropriations from federal funds have been requested but not yet
6 received, provided, the administrative contingency fund will be
7 reimbursed upon receipt of the requested federal appropriation.

8 (iii) The proper administration of this title for which compliance
9 and audit issues have been identified that establish federal claims
10 requiring the expenditure of state resources in resolution. Claims
11 must be resolved in the following priority: First priority is to
12 provide services to eligible participants within the state; second
13 priority is to provide substitute services or program support; and last
14 priority is the direct payment of funds to the federal government.

15 (d)(i) During the 2007-2009 fiscal biennium, moneys available in
16 the administrative contingency fund, other than money in the special
17 account created under RCW 50.24.014(1)(a), shall be expended as
18 appropriated by the legislature for: (A) The cost of the job skills or
19 worker retraining programs at the community and technical colleges and
20 administrative costs at the state board for community and technical
21 colleges; and (B) reemployment services such as business and project
22 development assistance, local economic development capacity building,
23 and local economic development financial assistance at the department
24 of commerce. The remaining appropriation may be expended as specified
25 in (c) of this subsection.

26 (ii) During the ~~((2009-2011))~~ 2013-2015 fiscal biennium, moneys
27 available in the administrative contingency fund, other than money in
28 the special account created under RCW 50.24.014(1)(a), shall be
29 expended by the department of social and health services as
30 appropriated by the legislature for employment and training services
31 and programs in the WorkFirst program, and for the administrative costs
32 of state agencies participating in the WorkFirst program. The
33 remaining appropriation may be expended as specified in (c) of this
34 subsection.

35 (4) Money in the special account created under RCW 50.24.014(1)(a)
36 may only be expended, after appropriation, for the purposes specified
37 in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014,
38 50.44.053, and 50.22.010.

1 **Sec. 913.** RCW 51.44.170 and 2011 c 5 s 917 are each amended to
2 read as follows:

3 The industrial insurance premium refund account is created in the
4 custody of the state treasurer. All industrial insurance refunds
5 earned by state agencies or institutions of higher education under the
6 state fund retrospective rating program shall be deposited into the
7 account. The account is subject to the allotment procedures under
8 chapter 43.88 RCW, but no appropriation is required for expenditures
9 from the account. Only the executive head of the agency or institution
10 of higher education, or designee, may authorize expenditures from the
11 account. No agency or institution of higher education may make an
12 expenditure from the account for an amount greater than the refund
13 earned by the agency. If the agency or institution of higher education
14 has staff dedicated to workers' compensation claims management,
15 expenditures from the account must be used to pay for that staff, but
16 additional expenditure from the account may be used for any program
17 within an agency or institution of higher education that promotes or
18 provides incentives for employee workplace safety and health and early,
19 appropriate return-to-work for injured employees. During the 2009-2011
20 fiscal biennium, the legislature may transfer from the industrial
21 insurance premium refund account to the state general fund such amounts
22 as reflect the excess fund balance of the account. During the 2013-
23 2015 fiscal biennium, an agency or institution of higher education may
24 make expenditures from the account for payment of industrial insurance
25 premiums.

26 **Sec. 914.** RCW 67.70.230 and 2010 1st sp.s. c 37 s 941 are each
27 amended to read as follows:

28 There is hereby created and established a separate account, to be
29 known as the state lottery account. Such account shall be managed,
30 maintained, and controlled by the commission and shall consist of all
31 revenues received from the sale of lottery tickets or shares, and all
32 other moneys credited or transferred thereto from any other fund or
33 source pursuant to law. The account shall be a separate account
34 outside the state treasury and shall not maintain a balance in excess
35 of twelve million dollars at the end of each fiscal year. No
36 appropriation is required to permit expenditures and payment of
37 obligations from the account. During the 2009-2011 fiscal biennium,

1 the legislature may transfer from the state lottery account to the
2 education legacy trust account such amounts as reflect the excess fund
3 balance of the account.

4 **Sec. 915.** RCW 77.36.170 and 2013 c 329 s 2 are each amended to
5 read as follows:

6 (1) The department may pay no more than fifty thousand dollars per
7 fiscal year from the state wildlife account created in RCW 77.12.170
8 for claims and assessment costs for injury or loss of livestock caused
9 by wolves submitted under RCW 77.36.100.

10 (2) Notwithstanding other provisions of this chapter, the
11 department may also accept and expend money from other sources to
12 address injury or loss of livestock or other property caused by wolves
13 consistent with the requirements on that source of funding.

14 (3) If any wildlife account expenditures authorized under
15 subsections (1) and (4) of this section are unspent as of June 30th of
16 a fiscal year, the state treasurer shall transfer the unspent amount to
17 the wolf-livestock conflict account created in RCW 77.36.180.

18 (4) During the 2014 fiscal year, the department may pay no more
19 than two hundred and fifty thousand dollars from the state wildlife
20 account created in RCW 77.12.170 for claims and assessment costs for
21 injury or loss of livestock caused by wolves submitted under RCW
22 77.36.100.

23 **Sec. 916.** RCW 82.08.160 and 2013 2nd sp.s. c 4 s 1003 are each
24 amended to read as follows:

25 (1) On or before the twenty-fifth day of each month, all taxes
26 collected under RCW 82.08.150 during the preceding month must be
27 remitted to the state department of revenue, to be deposited with the
28 state treasurer. Except as provided in subsections (2), (3), and (4)
29 of this section, upon receipt of such moneys the state treasurer must
30 credit sixty-five percent of the sums collected and remitted under RCW
31 82.08.150 (1) and (2) and one hundred percent of the sums collected and
32 remitted under RCW 82.08.150 (3) and (4) to the state general fund and
33 thirty-five percent of the sums collected and remitted under RCW
34 82.08.150 (1) and (2) to a fund which is hereby created to be known as
35 the "liquor excise tax fund."

1 (2) During the 2012 fiscal year, 66.19 percent of the sums
2 collected and remitted under RCW 82.08.150 (1) and (2) must be
3 deposited in the state general fund and the remainder collected and
4 remitted under RCW 82.08.150 (1) and (2) must be deposited in the
5 liquor excise tax fund.

6 (3) During fiscal year 2013, all funds collected under RCW
7 82.08.150 (1), (2), (3), and (4) must be deposited into the state
8 general fund.

9 (4) During (~~the 2013-2015~~) fiscal (~~biennium, eighty two~~) year
10 2014, seventy seven and one-half percent of the sums collected and
11 remitted under RCW 82.08.150 (1) and (2) must be deposited in the state
12 general fund, and the remainder collected and remitted under RCW
13 82.08.150 (1) and (2) must be deposited in the liquor excise tax fund.
14 The legislature intends for the 2014 amendments in this subsection to
15 be curative, clarifying, and remedial and to apply retroactively to
16 July 1, 2013.

17 (5) During fiscal year 2015, eighty-four and four-tenths percent of
18 the sums collected and remitted under RCW 82.08.150 (1) and (2) must be
19 deposited in the state general fund, and the remainder collected and
20 remitted under RCW 82.08.150 (1) and (2) must be deposited in the
21 liquor excise tax fund.

22 NEW SECTION. Sec. 917. A new section is added to 2013 2nd sp.s.
23 c 4 (uncodified) to read as follows:

24 Any residual balance of funds remaining in the investing in
25 innovation account on April 1, 2014, shall be transferred to the state
26 agency innovation and efficiency account created in chapter . . .
27 (Substitute Senate Bill No. 5872), Laws of 2014.

28 NEW SECTION. Sec. 918. If any provision of this act or its
29 application to any person or circumstance is held invalid, the
30 remainder of the act or the application of the provision to other
31 persons or circumstances is not affected.

32 NEW SECTION. Sec. 919. This act is necessary for the immediate
33 preservation of the public peace, health, or safety, or support of the

1 state government and its existing public institutions, and takes effect
2 immediately.

(End of Bill)

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