



**STRIKING
AMENDMENT
TO SSB 6032
Senator Braun**

**SENATE WAYS & MEANS COMMITTEE
FEBRUARY 2018**

SSB 6032 - S AMD
By Senator Braun

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

3 "PART I
4 GENERAL GOVERNMENT

5 **Sec. 101.** 2017 3rd sp.s. c 1 s 101 (uncodified) is amended to
6 read as follows:

7 **FOR THE HOUSE OF REPRESENTATIVES**

8	General Fund—State Appropriation (FY 2018).	((\$37,642,000))
9		<u>\$35,527,000</u>
10	General Fund—State Appropriation (FY 2019).	((\$39,205,000))
11		<u>\$37,209,000</u>
12	((Motor Vehicle Account—State Appropriation.	\$2,011,000))
13	<u>Pension Funding Stabilization Account—State</u>	
14	<u>Appropriation.</u>	<u>\$4,280,000</u>
15	TOTAL APPROPRIATION.	((\$78,858,000))
16		<u>\$77,016,000</u>

17 The appropriations in this section are subject to the following
18 conditions and limitations: The speaker shall designate one member
19 from each of the major caucuses in the house of representatives as a
20 work group to facilitate public discussions throughout the state
21 regarding Washington's tax structure. As part of this effort, the
22 work group may hold up to seven public meetings in geographically
23 dispersed areas of the state throughout the 2017-2019 fiscal
24 biennium. These discussions may include but are not limited to the
25 advantages and disadvantages of the state's current tax structure and
26 potential options to improve the current structure for the benefit of
27 individuals, families, and businesses in Washington state. The work
28 group is staffed by the office of program research. The work group
29 may report to the house of representatives finance committee and
30 other house of representatives committees upon request of the
31 committee chair.

1 **Sec. 102.** 2017 3rd sp.s. c 1 s 102 (uncodified) is amended to
2 read as follows:

3 **FOR THE SENATE**

4	General Fund—State Appropriation (FY 2018).	((\$26,369,000))
5		<u>\$24,943,000</u>
6	General Fund—State Appropriation (FY 2019).	((\$29,451,000))
7		<u>\$28,138,000</u>
8	((Motor Vehicle Account—State Appropriation.	\$1,903,000))
9	<u>Pension Funding Stabilization Account—State</u>	
10	<u>Appropriation.</u>	<u>\$2,941,000</u>
11	TOTAL APPROPRIATION.	((\$57,723,000))
12		<u>\$56,022,000</u>

13 **Sec. 103.** 2017 3rd sp.s. c 1 s 103 (uncodified) is amended to
14 read as follows:

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

16	General Fund—State Appropriation (FY 2018).	\$135,000
17	General Fund—State Appropriation (FY 2019).	\$29,000
18	Performance Audits of Government—State	
19	Appropriation.	((\$8,619,000))
20		<u>\$8,332,000</u>
21	TOTAL APPROPRIATION.	((\$8,783,000))
22		<u>\$8,496,000</u>

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

25 (1) Notwithstanding the provisions of this section, the joint
26 legislative audit and review committee may adjust the due dates for
27 projects included on the committee's 2017-2019 work plan as necessary
28 to efficiently manage workload.

29 (2) The committee shall complete its analysis of fire suppression
30 funding and costs for the department of natural resources and the
31 state fire marshal. A report on the results of the analysis with any
32 findings and recommendations shall be submitted to the appropriate
33 committees of the legislature by December 2017.

34 (3) \$308,000 of the performance audits of government account—
35 state appropriation is provided solely for the implementation of
36 chapter 303, Laws of 2017 (ESHB 1594) (public records
37 administration).

1 ~~((+5))~~ (4) \$100,000 of the performance audits of government
2 account—state appropriation is provided solely for an evaluation of:
3 (a) The adequacy and effectiveness of the department of commerce
4 office of youth homelessness performance based contracting with
5 homelessness service providers; and (b) compliance with the
6 performance measurement, reporting, and quality award program
7 application requirements of chapter 43.185C RCW.

8 ~~((+6))~~ (5) The agency is directed to use its moneys in the
9 savings incentive account for one-time relocation, furniture,
10 equipment, and tenant improvements costs to move to the 1063
11 building.

12 ~~((+7))~~ (6)(a) \$250,000 of the performance audit of government—
13 state appropriation is provided solely for the committee to conduct a
14 study of the employment services and community access services
15 provided by the department of social and health services for
16 individuals with a developmental disability. The study should explore
17 the following topics:

18 (i) The costs and benefits associated with prevocational training
19 programs;

20 (ii) The process of requesting and authorizing prevocational
21 services;

22 (iii) The costs and benefits associated with employment programs,
23 including a review of hours worked each month and the usage of job
24 coaches;

25 (iv) The process of requesting and authorizing employment
26 services, including a review of clients over the age of 21 who have
27 requested service and received a denial due to a lack of funding;

28 (v) The costs and benefits associated with community access
29 services; and

30 (vi) The process of requesting and authorizing community access
31 services, including a review of who have been denied an exception to
32 policy for community access services.

33 (b) The evaluation must solicit input from interested
34 stakeholders to include, but not be limited to, the ARC of
35 Washington, the developmental disabilities council, the Washington
36 association of counties, and disability rights of Washington.

37 (c) The evaluation is due to the legislature by December 1, 2018.

38 (7) \$32,000 of the performance audits of government account—state
39 appropriation for fiscal year 2019 is provided solely for

1 implementation of Second Engrossed Substitute House Bill No. 1508
2 (student meals and nutrition). If the bill is not enacted by June 30,
3 2018, the amount provided in this subsection shall lapse.

4 (8) \$132,000 of the performance audits of government account—
5 state appropriation for fiscal year 2019 is provided solely for
6 implementation of Engrossed Fourth Substitute Senate Bill No. 5251
7 (tourism marketing). If the bill is not enacted by June 30, 2018, the
8 amount provided in this subsection shall lapse.

9 (9) \$49,000 of the performance audits of government account—state
10 appropriation for fiscal year 2019 is provided solely for
11 implementation of Engrossed Substitute Senate Bill No. 5588 (racial
12 disproportionality). If the bill is not enacted by June 30, 2018, the
13 amount provided in this subsection shall lapse.

14 **Sec. 104.** 2017 3rd sp.s. c 1 s 104 (uncodified) is amended to
15 read as follows:

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

17 Performance Audits of Government—State

18 Appropriation. \$4,175,000

19 The appropriation in this section is subject to the following
20 conditions and limitations: The agency is directed to use ((its))
21 moneys in the savings incentive account for one-time relocation,
22 furniture, equipment, and tenant improvements costs to move to the
23 1063 building.

24 **Sec. 105.** 2017 3rd sp.s. c 1 s 105 (uncodified) is amended to
25 read as follows:

26 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

27 General Fund—State Appropriation (FY 2018). ((~~\$10,730,000~~))
28 \$10,317,000
29 General Fund—State Appropriation (FY 2019). ((~~\$10,254,000~~))
30 \$9,844,000

31 Pension Funding Stabilization Account—State

32 Appropriation. \$825,000
33 TOTAL APPROPRIATION. ((~~\$20,984,000~~))
34 \$20,986,000

35 **Sec. 106.** 2017 3rd sp.s. c 1 s 106 (uncodified) is amended to
36 read as follows:

1	FOR THE OFFICE OF THE STATE ACTUARY	
2	General Fund—State Appropriation (FY 2018).	((\$302,000))
3		<u>\$288,000</u>
4	General Fund—State Appropriation (FY 2019).	((\$308,000))
5		<u>\$294,000</u>
6	State Health Care Authority Administrative Account—State	
7	Appropriation.	\$406,000
8	Department of Retirement Systems Expense	
9	Account—State Appropriation.	\$5,110,000
10	<u>Pension Funding Stabilization Account—State</u>	
11	<u>Appropriation.</u>	<u>\$28,000</u>
12	TOTAL APPROPRIATION.	\$6,126,000

13 **Sec. 107.** 2017 3rd sp.s. c 1 s 107 (uncodified) is amended to
14 read as follows:

15	FOR THE STATUTE LAW COMMITTEE	
16	General Fund—State Appropriation (FY 2018).	((\$4,936,000))
17		<u>\$4,650,000</u>
18	General Fund—State Appropriation (FY 2019).	((\$5,455,000))
19		<u>\$5,171,000</u>
20	<u>Pension Funding Stabilization Account—State</u>	
21	<u>Appropriation.</u>	<u>\$568,000</u>
22	TOTAL APPROPRIATION.	((\$10,391,000))
23		<u>\$10,389,000</u>

24 **Sec. 108.** 2017 3rd sp.s. c 1 s 108 (uncodified) is amended to
25 read as follows:

26	FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES	
27	General Fund—State Appropriation (FY 2018).	((\$4,043,000))
28		<u>\$3,823,000</u>
29	General Fund—State Appropriation (FY 2019).	((\$4,485,000))
30		<u>\$4,267,000</u>
31	<u>Pension Funding Stabilization Account—State</u>	
32	<u>Appropriation.</u>	<u>\$438,000</u>
33	TOTAL APPROPRIATION.	\$8,528,000

34 **Sec. 109.** 2017 3rd sp.s. c 1 s 110 (uncodified) is amended to
35 read as follows:

36 **FOR THE SUPREME COURT**

1	General Fund—State Appropriation (FY 2018).	((\$8,046,000))
2		<u>\$7,711,000</u>
3	General Fund—State Appropriation (FY 2019).	((\$8,368,000))
4		<u>\$8,028,000</u>
5	<u>Pension Funding Stabilization Account—State</u>	
6	<u>Appropriation.</u>	\$671,000
7	TOTAL APPROPRIATION.	((\$16,414,000))
8		<u>\$16,410,000</u>

9 **Sec. 110.** 2017 3rd sp.s. c 1 s 111 (uncodified) is amended to
10 read as follows:

11 **FOR THE LAW LIBRARY**

12	General Fund—State Appropriation (FY 2018).	((\$1,685,000))
13		<u>\$1,621,000</u>
14	General Fund—State Appropriation (FY 2019).	((\$1,714,000))
15		<u>\$1,649,000</u>
16	<u>Pension Funding Stabilization Account—State</u>	
17	<u>Appropriation.</u>	\$128,000
18	TOTAL APPROPRIATION.	((\$3,399,000))
19		<u>\$3,398,000</u>

20 **Sec. 111.** 2017 3rd sp.s. c 1 s 112 (uncodified) is amended to
21 read as follows:

22 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

23	General Fund—State Appropriation (FY 2018).	((\$1,340,000))
24		<u>\$1,246,000</u>
25	General Fund—State Appropriation (FY 2019).	((\$1,236,000))
26		<u>\$1,200,000</u>
27	<u>Pension Funding Stabilization Account—State</u>	
28	<u>Appropriation.</u>	\$130,000
29	TOTAL APPROPRIATION.	\$2,576,000

30 **Sec. 112.** 2017 3rd sp.s. c 1 s 113 (uncodified) is amended to
31 read as follows:

32 **FOR THE COURT OF APPEALS**

33	General Fund—State Appropriation (FY 2018).	((\$18,077,000))
34		<u>\$17,341,000</u>
35	General Fund—State Appropriation (FY 2019).	((\$18,860,000))
36		<u>\$18,109,000</u>

1 Pension Funding Stabilization Account—State

2	<u>Appropriation.</u>	<u>\$1,477,000</u>
3	TOTAL APPROPRIATION.	((\$36,937,000))
4		<u>\$36,927,000</u>

5 **Sec. 113.** 2017 3rd sp.s. c 1 s 114 (uncodified) is amended to
6 read as follows:

7 **FOR THE ADMINISTRATOR FOR THE COURTS**

8	General Fund—State Appropriation (FY 2018).	((\$56,910,000))
9		<u>\$54,696,000</u>
10	General Fund—State Appropriation (FY 2019).	((\$58,751,000))
11		<u>\$56,796,000</u>
12	General Fund—Federal Appropriation.	\$2,175,000
13	General Fund—Private/Local Appropriation.	\$677,000
14	Judicial Information Systems Account—State	
15	Appropriation.	\$58,486,000
16	Judicial Stabilization Trust Account—State	
17	Appropriation.	\$6,691,000

18 Pension Funding Stabilization Account—State

19	<u>Appropriation.</u>	<u>\$4,580,000</u>
20	TOTAL APPROPRIATION.	((\$183,690,000))
21		<u>\$184,101,000</u>

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

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

29 (2) \$1,399,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$1,399,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for school districts for
32 petitions to juvenile court for truant students as provided in RCW
33 28A.225.030 and 28A.225.035. The administrator for the courts shall
34 develop an interagency agreement with the superintendent of public
35 instruction to allocate the funding provided in this subsection.
36 Allocation of this money to school districts shall be based on the
37 number of petitions filed. This funding includes amounts school
38 districts may expend on the cost of serving petitions filed under RCW

1 28A.225.030 by certified mail or by personal service or for the
2 performance of service of process for any hearing associated with RCW
3 28A.225.030.

4 (3)(a) \$7,313,000 of the general fund—state appropriation for
5 fiscal year 2018 and \$7,313,000 of the general fund—state
6 appropriation for fiscal year 2019 are provided solely for
7 distribution to county juvenile court administrators to fund the
8 costs of processing truancy, children in need of services, and at-
9 risk youth petitions. The administrator for the courts, in
10 conjunction with the juvenile court administrators, shall develop an
11 equitable funding distribution formula. The formula shall neither
12 reward counties with higher than average per-petition processing
13 costs nor shall it penalize counties with lower than average per-
14 petition processing costs.

15 (b) Each fiscal year during the 2017-2019 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
20 the fiscal year. The administrator for the courts shall
21 electronically transmit this information to the chairs and ranking
22 minority members of the house of representatives and senate fiscal
23 committees no later than 60 days after a fiscal year ends. These
24 reports are deemed informational in nature and are not for the
25 purpose of distributing funds.

26 (4) \$12,000,000 of the judicial information systems account—state
27 appropriation is provided solely for the continued implementation of
28 the superior courts case management system. Of the amount
29 appropriated, \$8,300,000 is provided solely for expenditures in
30 fiscal year 2018. The remaining appropriation of \$3,700,000 is
31 provided solely for expenditures in fiscal year 2019 and shall lapse
32 and remain unexpended if the superior court case management system is
33 not live and fully functional in Cowlitz, Grays Harbor, Klickitat,
34 Mason, Pacific, and Skamania counties by July 1, 2017, and Clallum,
35 Jefferson, Kitsap, Skagit, and Whatcom counties by January 1, 2018.

36 (5) \$4,339,000 of the judicial information systems account—state
37 appropriation is provided solely for the information network hub
38 project.

1 (6)(a) \$10,000,000 of the judicial information systems account—
2 state appropriation is provided solely for other judicial branch
3 information technology projects, including:

- 4 (i) The superior court case management system;
- 5 (ii) The courts of limited jurisdiction case management system;
- 6 (iii) Equipment replacement; and
- 7 (iv) Support staff for information technology projects.

8 (b) Expenditures from the judicial information systems account
9 shall not exceed available resources. The office must coordinate with
10 the steering committee for the superior court case management system
11 and the steering committee for the courts of limited jurisdiction
12 case management system to prioritize expenditures for judicial branch
13 information technology projects. For any competitive procurement
14 using amounts appropriated, the office of the chief information
15 officer must review the qualifications and proposed work plan of the
16 apparently successful bidder prior to final selection and review the
17 proposed vendor contract prior to its execution. The office shall not
18 enter into any contract using appropriated amounts that would cause
19 total information technology expenditures to exceed projected
20 resources in the judicial information systems account in the
21 2019-2021 fiscal biennium.

22 (7) \$406,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$405,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for the statewide fiscal impact
25 on Thurston county courts. The administrative office of the courts
26 must collaborate with Thurston county to create a new fee formula
27 that accurately represents the state's impact on Thurston county
28 courts.

29 (8) \$53,000 of the general fund—state appropriation for fiscal
30 year 2018 is provided solely for implementation of chapter 272, Laws
31 of 2017 (E2SHB 1163) (domestic violence).

32 (9) \$61,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$58,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for implementation of chapter
35 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

36 (10) \$333,000 of the general fund—state appropriation for fiscal
37 year 2019 is provided solely for increasing statewide capacity for
38 the court appointed special advocate program.

1 **Sec. 114.** 2017 3rd sp.s. c 1 s 115 (uncodified) is amended to
2 read as follows:

3 **FOR THE OFFICE OF PUBLIC DEFENSE**

4	General Fund—State Appropriation (FY 2018).	((\$41,558,000))
5		<u>\$42,129,000</u>
6	General Fund—State Appropriation (FY 2019).	((\$42,539,000))
7		<u>\$43,494,000</u>
8	Judicial Stabilization Trust Account—State	
9	Appropriation.	((\$3,710,000))
10		<u>\$3,709,000</u>
11	<u>Pension Funding Stabilization Account—State</u>	
12	<u>Appropriation.</u>	<u>\$278,000</u>
13	TOTAL APPROPRIATION.	((\$87,807,000))
14		<u>\$89,610,000</u>

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

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

19 (2) \$1,101,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$1,101,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for parents representation
22 program costs related to increased parental rights termination
23 filings from the department of social and health services permanency
24 initiative.

25 (3) \$900,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$900,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for the purpose of improving the
28 quality of trial court public defense services. The department must
29 allocate these amounts so that \$450,000 per fiscal year is
30 distributed to counties, and \$450,000 per fiscal year is distributed
31 to cities, for grants under chapter 10.101 RCW.

32 (4) \$2,384,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$3,364,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for the office to complete the
35 expansion of the parents representation program in the following
36 counties: Adams, Douglas, Island, Lewis, Lincoln, Okanogan, San Juan,
37 Walla Walla, and the remainder of Pierce.

38 (5) \$490,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$490,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the parents for parents
2 program. Funds must be used to expand services in four new sites, and
3 maintain and improve service models for the current programs in Grays
4 Harbor/Pacific, King, Kitsap, Pierce, Snohomish, Spokane, and
5 Thurston/Mason counties.

6 (6) \$432,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$432,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for vendor rate increases. Of
9 the amounts provided in this subsection, \$188,000 each fiscal year is
10 provided solely for an increase in the rate for contracted social
11 workers.

12 **Sec. 115.** 2017 3rd sp.s. c 1 s 116 (uncodified) is amended to
13 read as follows:

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

15	General Fund—State Appropriation (FY 2018).	((\$14,855,000))
16		<u>\$14,833,000</u>
17	General Fund—State Appropriation (FY 2019).	((\$16,490,000))
18		<u>\$16,468,000</u>
19	Judicial Stabilization Trust Account—State	
20	Appropriation.	\$1,463,000
21	<u>Pension Funding Stabilization Account—State</u>	
22	<u>Appropriation.</u>	<u>\$44,000</u>
23	TOTAL APPROPRIATION.	\$32,808,000

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

26 (1) An amount not to exceed \$40,000 of the general fund—state
27 appropriation for fiscal year 2018 and an amount not to exceed
28 \$40,000 of the general fund—state appropriation for fiscal year 2019
29 may be used to provide telephonic legal advice and assistance to
30 otherwise eligible persons who are sixty years of age or older on
31 matters authorized by RCW 2.53.030(2) (a) through (k) regardless of
32 household income or asset level.

33 (2) \$1,075,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$2,600,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for the office to partially
36 implement the civil legal aid reinvestment plan.

1	<u>Appropriation.</u>	\$54,000
2	TOTAL APPROPRIATION.	\$1,782,000
3	Sec. 118. 2017 3rd sp.s. c 1 s 119 (uncodified) is amended to	
4	read as follows:	
5	FOR THE PUBLIC DISCLOSURE COMMISSION	
6	General Fund—State Appropriation (FY 2018).	(\$2,826,000)
7		<u>\$2,696,000</u>
8	General Fund—State Appropriation (FY 2019).	(\$2,872,000)
9		<u>\$2,977,000</u>
10	<u>Pension Funding Stabilization Account—State</u>	
11	<u>Appropriation.</u>	\$260,000
12	TOTAL APPROPRIATION.	(\$5,698,000)
13		<u>\$5,933,000</u>
14	Sec. 119. 2017 3rd sp.s. c 1 s 120 (uncodified) is amended to	
15	read as follows:	
16	FOR THE SECRETARY OF STATE	
17	General Fund—State Appropriation (FY 2018).	(\$15,131,000)
18		<u>\$15,668,000</u>
19	General Fund—State Appropriation (FY 2019).	(\$13,465,000)
20		<u>\$13,427,000</u>
21	General Fund—Federal Appropriation.	\$7,801,000
22	Public Records Efficiency, Preservation, and Access	
23	Account—State Appropriation.	(\$9,223,000)
24		<u>\$9,218,000</u>
25	Charitable Organization Education Account—State	
26	Appropriation.	\$673,000
27	Local Government Archives Account—State	
28	Appropriation.	(\$10,946,000)
29		<u>\$10,943,000</u>
30	Election Account—Federal Appropriation.	\$4,387,000
31	Washington State Heritage Center Account—State	
32	Appropriation.	(\$10,383,000)
33		<u>\$10,375,000</u>
34	<u>Pension Funding Stabilization Account—State</u>	
35	<u>Appropriation.</u>	\$959,000
36	TOTAL APPROPRIATION.	(\$72,009,000)
37		<u>\$73,451,000</u>

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

3 (1) \$3,301,000 of the general fund—state appropriation for fiscal
4 year 2018 is provided solely to reimburse counties for the state's
5 share of primary and general election costs and the costs of
6 conducting mandatory recounts on state measures. Counties shall be
7 reimbursed only for those odd-year election costs that the secretary
8 of state validates as eligible for reimbursement.

9 (2)(a) \$2,932,000 of the general fund—state appropriation for
10 fiscal year 2018 and \$3,011,000 of the general fund—state
11 appropriation for fiscal year 2019 are provided solely for
12 contracting with a nonprofit organization to produce gavel-to-gavel
13 television coverage of state government deliberations and other
14 events of statewide significance during the 2017-2019 fiscal
15 biennium. The funding level for each year of the contract shall be
16 based on the amount provided in this subsection. The nonprofit
17 organization shall be required to raise contributions or commitments
18 to make contributions, in cash or in kind, in an amount equal to
19 forty percent of the state contribution. The office of the secretary
20 of state may make full or partial payment once all criteria in this
21 subsection have been satisfactorily documented.

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

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

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

34 (i) Attempting to influence the passage or defeat of any
35 legislation by the legislature of the state of Washington, by any
36 county, city, town, or other political subdivision of the state of
37 Washington, or by the congress, or the adoption or rejection of any
38 rule, standard, rate, or other legislative enactment of any state
39 agency;

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

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

7 (4) \$15,000 of the general fund—state appropriation for fiscal
8 year 2018, \$15,000 of the general fund—state appropriation for fiscal
9 year 2019, \$4,000 of the public records efficiency, preservation and
10 access account, and \$2,253,000 of the local government archives
11 account appropriation are provided solely for the implementation of
12 chapter 303, Laws of 2017 (ESHB 1594) (public records
13 administration).

14 (5) The office of the secretary of state will enter into an
15 agreement with the office of the attorney general to reimburse costs
16 associated with the requirements of chapter 303, Laws of 2017.

17 (6) \$102,000 of the general fund—state appropriation for fiscal
18 year 2019 is provided solely for implementation of Engrossed Third
19 Substitute Senate Bill No. 6353 (automatic voter registration). If
20 the bill is not enacted by June 30, 2018, the amount provided in this
21 subsection shall lapse.

22 **Sec. 120.** 2017 3rd sp.s. c 1 s 121 (uncodified) is amended to
23 read as follows:

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

25	General Fund—State Appropriation (FY 2018).	((\$289,000))
26		<u>\$274,000</u>
27	General Fund—State Appropriation (FY 2019).	((\$276,000))
28		<u>\$263,000</u>
29	<u>Pension Funding Stabilization Account—State</u>	
30	<u>Appropriation.</u>	<u>\$28,000</u>
31	TOTAL APPROPRIATION.	\$565,000

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

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

5 **Sec. 121.** 2017 3rd sp.s. c 1 s 122 (uncodified) is amended to
6 read as follows:

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

8	General Fund—State Appropriation (FY 2018).	((\$253,000))
9		<u>\$240,000</u>
10	General Fund—State Appropriation (FY 2019).	((\$263,000))
11		<u>\$250,000</u>
12	<u>Pension Funding Stabilization Account—State</u>	
13	Appropriation.	\$26,000
14	TOTAL APPROPRIATION.	\$516,000

15 **Sec. 122.** 2017 3rd sp.s. c 1 s 123 (uncodified) is amended to
16 read as follows:

17 **FOR THE STATE TREASURER**

18	State Treasurer's Service Account—State	
19	Appropriation.	((\$18,918,000))
20		<u>\$18,908,000</u>

21 The appropriation in this section is subject to the following
22 conditions and limitations: \$75,000 of the state treasurer's service
23 account—state appropriation is provided solely to establish a task
24 force on public infrastructure and a publicly-owned depository. The
25 task force must examine the scope of financial needs for local
26 governments for constructing public infrastructure; the feasibility
27 of creating a publicly-owned depository to facilitate investment in,
28 and financing of, public infrastructure systems that will increase
29 public health and safety, and leverage the financial capital and
30 resources of Washington state by working in partnership with
31 financial institutions that benefit local communities, or with
32 community-based organizations, economic development organizations,
33 local governments, guaranty agencies, and other stakeholder groups to
34 create jobs and economic opportunities within our state for public
35 benefit.

36 (1) The task force will consist of one member from each of the
37 two largest caucuses of the senate appointed by the president of the

1 senate; one member from each of the two largest caucuses of the house
 2 of representatives appointed by the speaker of the house of
 3 representatives; members representing a small sized state-chartered
 4 bank, a medium sized state-chartered bank, a federally chartered
 5 bank, local governments, and four citizens with a background in
 6 financial issues or public infrastructure selected by the president
 7 of the senate and the speaker of the house of representatives; and
 8 the attorney general, the state auditor, the treasurer, and the
 9 governor, or their designees. The task force will ensure that ample
 10 opportunity for input from interested stakeholders is provided. The
 11 department of commerce, the department of financial institutions, and
 12 the treasurer must cooperate with the task force and provide
 13 information and assistance at the request of the task force.

14 (2) The task force will report any recommendations identified by
 15 the task force that involve statutory changes, funding
 16 recommendations, or administrative action to the legislature as draft
 17 legislation by December 1, 2017.

18 **Sec. 123.** 2017 3rd sp.s. c 1 s 124 (uncodified) is amended to
 19 read as follows:

20 **FOR THE STATE AUDITOR**

21	General Fund—State Appropriation (FY 2018).	\$28,000
22	General Fund—State Appropriation (FY 2019).	\$32,000
23	State Auditing Services Revolving Account—State	
24	Appropriation.	((\$10,219,000))
25		<u>\$10,916,000</u>
26	Performance Audit of Government Account—State	
27	Appropriation.	\$3,019,000
28	TOTAL APPROPRIATION.	((\$13,298,000))
29		<u>\$13,995,000</u>

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

32 (1) \$774,000 of the performance audit of government account—state
 33 appropriation is provided solely for the state auditor's office to
 34 conduct a performance audit of the department of health focused on
 35 the fee setting for each health profession licensed by the
 36 department. The performance audit must include, but is not limited
 37 to:

1 (a) A review of each health profession's process for setting
2 application, licensure, renewal, examination, and indirect fees;

3 (b) A review of the costs of running each health profession
4 program or board;

5 (c) An analysis of how any moneys collected as indirect charges
6 levied on a health profession are used by the department; and

7 (d) A review of any department policies or procedures that have
8 been adopted in an attempt to reduce the fee levels of any of the
9 health professions.

10 (e) A final report of the performance audit must be submitted to
11 the appropriate legislative policy and fiscal committees by December
12 1, 2018.

13 (2) \$1,585,000 of the performance audit of government account—
14 state appropriation is provided solely for staff and related costs to
15 verify the accuracy of reported school district data submitted for
16 state funding purposes; conduct school district program audits of
17 state-funded public school programs; establish the specific amount of
18 state funding adjustments whenever audit exceptions occur and the
19 amount is not firmly established in the course of regular public
20 school audits; and to assist the state special education safety net
21 committee when requested.

22 (3) \$667,000 of the performance audits of government account—
23 state appropriation (~~((for fiscal year 2018))~~) is provided solely for
24 the state auditor's office to conduct a performance audit of
25 Washington charter public schools to satisfy the requirement to
26 contract for an independent performance audit pursuant to RCW
27 28A.710.030(2). The final report of the performance audit must be
28 submitted to the appropriate legislative policy committees by (~~June~~
29 ~~30~~) December 31, 2018. The audit must include (~~((eight))~~) ten schools
30 currently in (~~((their first year of))~~) operation and, subject to the
31 availability of data, must (~~((address the following questions))~~)
32 include, but is not limited to evaluating, the following operational
33 and academic outcomes:

34 (a) Whether the charter school has a charter contract that
35 includes performance provisions based on a performance framework that
36 sets forth academic and operational performance indicators, measures,
37 and metrics;

38 (b) Whether the charter school performance framework includes
39 indicators, measures, and metrics for student academic proficiency,
40 student academic growth, achievement gaps in both proficiency and

1 growth between major student subgroups, attendance, recurrent
2 enrollment from year to year, financial performance and
3 sustainability, and charter school board compliance with applicable
4 laws, rules and terms of the charter contract; and

5 (c) Whether the charter school performance framework includes a
6 disaggregation of student performance data by major student
7 subgroups, including gender, race and ethnicity, poverty status,
8 special education status, English language learner status, and highly
9 capable status.

10 (4) \$700,000 of the auditing services revolving account—state
11 appropriation is provided solely for the state auditor's office to
12 conduct ten additional program or agency audits.

13 **Sec. 124.** 2017 3rd sp.s. c 1 s 125 (uncodified) is amended to
14 read as follows:

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

16 General Fund—State Appropriation (FY 2018).	((\$204,000))
	<u>\$213,000</u>
18 General Fund—State Appropriation (FY 2019).	((\$205,000))
	<u>\$218,000</u>
20 <u>Pension Funding Stabilization Account—State</u>	
21 <u>Appropriation.</u>	<u>\$30,000</u>
22 TOTAL APPROPRIATION.	((\$409,000))
	<u>\$461,000</u>

24 **Sec. 125.** 2017 3rd sp.s. c 1 s 126 (uncodified) is amended to
25 read as follows:

26 **FOR THE ATTORNEY GENERAL**

27 General Fund—State Appropriation (FY 2018).	((\$8,641,000))
	<u>\$7,837,000</u>
29 General Fund—State Appropriation (FY 2019).	((\$8,951,000))
	<u>\$8,156,000</u>
31 General Fund—Federal Appropriation.	((\$6,969,000))
	<u>\$8,945,000</u>
33 New Motor Vehicle Arbitration Account—State	
34 <u>Appropriation.</u>	<u>\$1,145,000</u>
35 Legal Services Revolving Account—State	
36 <u>Appropriation.</u>	((\$245,290,000))
	<u>\$249,707,000</u>

1	Tobacco Prevention and Control Account—State	
2	Appropriation.	\$273,000
3	Medicaid Fraud Penalty Account—State Appropriation. . . .	\$3,526,000
4	((Public Service Revolving Account—State	
5	 Appropriation.	\$2,373,000))
6	Child Rescue Fund—State Appropriation.	((\$550,000))
7		\$500,000
8	Local Government Archives Account—State Appropriation. . . .	\$660,000
9	<u>Pension Funding Stabilization Account—State</u>	
10	<u> Appropriation.</u>	<u>\$1,606,000</u>
11	TOTAL APPROPRIATION.	((\$278,378,000))
12		<u>\$284,729,000</u>

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

15 (1) The attorney general shall report each fiscal year on actual
16 legal services expenditures and actual attorney staffing levels for
17 each agency receiving legal services. The report shall be submitted
18 to the office of financial management and the fiscal committees of
19 the senate and house of representatives no later than ninety days
20 after the end of each fiscal year. As part of its by agency report to
21 the legislative fiscal committees and the office of financial
22 management, the office of the attorney general shall include
23 information detailing the agency's expenditures for its agency-wide
24 overhead and a breakdown by division of division administration
25 expenses.

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

31 (3) The attorney general shall annually report to the fiscal
32 committees of the legislature all new cy pres awards and settlements
33 and all new accounts, disclosing their intended uses, balances, the
34 nature of the claim or account, proposals, and intended timeframes
35 for the expenditure of each amount. The report shall be distributed
36 electronically and posted on the attorney general's web site. The
37 report shall not be printed on paper or distributed physically.

38 (4) \$353,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$353,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for a grant to the Washington
2 coalition of crime victim advocates to provide training,
3 certification, and technical assistance for crime victim service
4 center advocates.

5 (5) \$92,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$91,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for implementation of chapter
8 163, Laws of 2017 (SHB 1055) (military members/pro bono).

9 (6) \$49,000 of the legal services revolving account—state
10 appropriation is provided solely for implementation of chapter 268,
11 Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

12 (7) \$276,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$259,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for implementation of chapter
15 294, Laws of 2017 (SSB 5835) (health outcomes/pregnancy).

16 (8) \$22,000 of the legal services revolving account—state
17 appropriation is provided solely for implementation of chapter 295,
18 Laws of 2017 (SHB 1258) (first responders/disability).

19 (9) \$35,000 of the legal services revolving account—state
20 appropriation is provided solely for implementation of chapter 249,
21 Laws of 2017 (ESHB 1714) (nursing staffing/hospitals).

22 (10) \$361,000 of the legal services revolving account—state
23 appropriation and \$660,000 of the local government archives account—
24 state appropriation are provided solely for implementation of chapter
25 303, Laws of 2017 (ESHB 1594) (public records administration).

26 (11) \$40,000 of the general fund—state appropriation for fiscal
27 year 2018 is provided solely for the implementation of chapter 243,
28 Laws of 2017 (HB 1352) (small business owners).

29 (12) \$67,000 of the legal services revolving account—state
30 appropriation is provided solely for the implementation of chapter
31 320, Laws of 2017 (SSB 5322) (dentists and third parties).

32 (13) \$11,000 of the legal services revolving account—state
33 appropriation is provided solely for the implementation of chapter
34 53, Laws of 2017 (2SHB 1120) (regulatory fairness act).

35 (14) \$26,000 of the legal services revolving account—state
36 appropriation for fiscal year 2019 is provided solely for
37 implementation of Engrossed Second Substitute Senate Bill No. 5407
38 (housing options). If the bill is not enacted by June 30, 2018, the
39 amount provided in this subsection shall lapse.

1 (15) \$119,000 of the legal services revolving account—state
2 appropriation for fiscal year 2019 is provided solely for
3 implementation of chapter 1, Laws of 2018 (Engrossed Substitute
4 Senate Bill No. 6091, water availability).

5 **Sec. 126.** 2017 3rd sp.s. c 1 s 127 (uncodified) is amended to
6 read as follows:

7 **FOR THE CASELOAD FORECAST COUNCIL**

8	General Fund—State Appropriation (FY 2018).	((\$1,606,000))
9		<u>\$1,521,000</u>
10	General Fund—State Appropriation (FY 2019).	((\$1,576,000))
11		<u>\$1,568,000</u>
12	<u>Pension Funding Stabilization Account—State</u>	
13	<u>Appropriation.</u>	<u>\$169,000</u>
14	TOTAL APPROPRIATION.	((\$3,182,000))
15		<u>\$3,258,000</u>

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

18 (1) In addition to caseload forecasts for common schools as
19 defined in RCW 43.88C.010(7), during the 2017-2019 fiscal biennium
20 the council must provide a separate forecast of enrollment for
21 charter schools authorized by chapter 28A.710 RCW.

22 (2) \$76,000 of the general fund—state appropriation for fiscal
23 year 2019 is provided solely for implementation of Engrossed
24 Substitute Senate Bill No. 5588 (racial disproportionality). If the
25 bill is not enacted by June 30, 2018, the amount provided in this
26 subsection shall lapse.

27 **Sec. 127.** 2017 3rd sp.s. c 1 s 128 (uncodified) is amended to
28 read as follows:

29 **FOR THE DEPARTMENT OF COMMERCE**

30	General Fund—State Appropriation (FY 2018).	((\$64,989,000))
31		<u>\$64,182,000</u>
32	General Fund—State Appropriation (FY 2019).	((\$65,634,000))
33		<u>\$90,516,000</u>
34	General Fund—Federal Appropriation.	((\$295,855,000))
35		<u>\$295,861,000</u>
36	General Fund—Private/Local Appropriation.	((\$8,623,000))
37		<u>\$8,626,000</u>

1	Public Works Assistance Account—State	
2	Appropriation.	\$8,092,000
3	Drinking Water Assistance Administrative	
4	Account—State Appropriation.	\$508,000
5	Lead Paint Account—State Appropriation.	\$238,000
6	Building Code Council Account—State Appropriation.	\$15,000
7	Home Security Fund Account—State Appropriation.	((\$48,400,000))
8		<u>\$48,401,000</u>
9	Affordable Housing for All Account—State	
10	Appropriation.	\$13,867,000
11	Financial Fraud and Identity Theft Crimes	
12	Investigation and Prosecution Account—State	
13	Appropriation.	\$1,974,000
14	Low-Income Weatherization and Structural	
15	Rehabilitation Assistance Account—State	
16	Appropriation.	\$1,398,000
17	Community and Economic Development Fee Account—State	
18	Appropriation.	\$4,630,000
19	Washington Housing Trust Account—State	
20	Appropriation.	((\$12,617,000))
21		<u>\$12,619,000</u>
22	Prostitution Prevention and Intervention Account—	
23	State Appropriation.	\$26,000
24	Public Facility Construction Loan Revolving	
25	Account—State Appropriation.	((\$842,000))
26		<u>\$843,000</u>
27	Drinking Water Assistance Account—State	
28	Appropriation.	\$46,000
29	Liquor Revolving Account—State Appropriation.	((\$5,613,000))
30		<u>\$5,813,000</u>
31	Energy Freedom Account—State Appropriation.	\$6,000
32	Liquor Excise Tax Account—State Appropriation.	\$665,000
33	Economic Development Strategic Reserve Account—State	
34	Appropriation.	((\$5,611,000))
35		<u>\$5,786,000</u>
36	<u>Landlord Mitigation Program Account—State</u>	
37	<u>Appropriation.</u>	<u>\$402,000</u>
38	Financial Services Regulation Account—State	
39	Appropriation.	\$468,000

1	<u>Pension Funding Stabilization Account—State</u>	
2	<u>Appropriation.</u>	\$1,618,000
3	<u>Statewide Tourism Marketing Account—State</u>	
4	<u>Appropriation.</u>	\$1,500,000
5	TOTAL APPROPRIATION.	((\$540,117,000))
6		<u>\$568,100,000</u>

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

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

17 (2) \$500,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$500,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for a grant to resolution
20 Washington to building statewide capacity for alternative dispute
21 resolution centers and dispute resolution programs that guarantee
22 that citizens have access to low-cost resolution as an alternative to
23 litigation.

24 (3) \$375,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$375,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for a grant to the retired
27 senior volunteer program.

28 (4) The department shall administer its growth management act
29 technical assistance and pass-through grants so that smaller cities
30 and counties receive proportionately more assistance than larger
31 cities or counties.

32 (5) \$375,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$375,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely as pass-through funding to Walla
35 Walla Community College for its water and environmental center.

36 (6) \$5,602,000 of the economic development strategic reserve
37 account—state appropriation is provided solely for associate
38 development organizations. During the 2017-2019 fiscal biennium, the
39 department shall consider an associate development organization's

1 total resources when making contracting and fund allocation
2 decisions, in addition to the schedule provided in RCW 43.330.086.

3 (7) \$5,607,000 of the liquor revolving account—state
4 appropriation is provided solely for the department to contract with
5 the municipal research and services center of Washington.

6 (8)(a) \$500,000 of the general fund—state appropriation for
7 fiscal year 2018, \$500,000 of the general fund—state appropriation
8 for fiscal year 2019, \$24,734,000 of the home security fund—state
9 appropriation, and \$8,860,000 of the affordable housing for all
10 account—state appropriation are provided solely for the consolidated
11 homeless grant. Of the amounts appropriated, \$5,000,000 is provided
12 solely for emergency assistance to homeless families in the temporary
13 assistance for needy families program.

14 (b) The department must distribute appropriated amounts from the
15 home security account through performance-based contracts that
16 require, at a minimum, monthly reporting of performance and financial
17 metrics. The contracts must require that auditable documentation for
18 the performance and financial metrics be provided to the joint
19 legislative audit and review committee as requested for performance
20 audits.

21 (9) \$700,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$700,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the department to identify
24 and invest in strategic growth areas, support key sectors, and align
25 existing economic development programs and priorities. The department
26 must consider Washington's position as the most trade-dependent state
27 when identifying priority investments. The department must engage
28 states and provinces in the northwest as well as associate
29 development organizations, small business development centers,
30 chambers of commerce, ports, and other partners to leverage the funds
31 provided. For each dollar expended, the department must receive a one
32 hundred percent match. The match may be provided by the department
33 through nongeneral fund sources, or any partnering governments or
34 organizations. Sector leads established by the department must
35 include the industries of: (a) Tourism; (b) agriculture, wood
36 products, and other natural resource industries; and (c) clean
37 technology and renewable and nonrenewable energy. The department may
38 establish these sector leads by hiring new staff, expanding the

1 duties of current staff, or working with partner organizations and or
2 other agencies to serve in the role of sector lead.

3 (10) The department is authorized to require an applicant to pay
4 an application fee to cover the cost of reviewing the project and
5 preparing an advisory opinion on whether a proposed electric
6 generation project or conservation resource qualifies to meet
7 mandatory conservation targets.

8 (11) Within existing resources, the department shall provide
9 administrative and other indirect support to the developmental
10 disabilities council.

11 (12) \$150,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$150,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the expansion of the current
14 long-term care ombuds program to meet the immediate needs of
15 individuals by advocating on behalf of and protecting residents of
16 long-term care facilities from abuse, neglect, and exploitation.

17 (13) Within existing resources, the department of commerce shall
18 consult with key crime victim services stakeholders to inform
19 decisions about the funding distribution for federal fiscal years
20 2017-2019 victims of crime act victim assistance funding. These
21 stakeholders must include, at a minimum, children's advocacy centers
22 of Washington, Washington association of prosecuting attorneys,
23 Washington association of sheriffs and police chiefs, Washington
24 coalition against domestic violence, Washington coalition of sexual
25 assault programs, Washington coalition of crime victim advocates, at
26 least one representative from a child health coalition, and other
27 organizations as determined by the department. Funding distribution
28 considerations shall include, but are not limited to, geographic
29 distribution of services, underserved populations, age of victims,
30 best practices, and the unique needs of individuals, families, youth,
31 and children who are victims of crime.

32 (14) \$643,000 of the liquor excise tax account—state
33 appropriation is provided solely for the department of commerce to
34 provide fiscal note assistance to local governments.

35 (15) \$300,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$300,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the northwest agriculture
38 business center.

1 (16) \$150,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$150,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the regulatory roadmap
4 program for the construction industry and to identify and coordinate
5 with businesses in key industry sectors to develop additional
6 regulatory roadmap tools.

7 (17) \$1,000,000 of the general fund—state appropriation for
8 fiscal year 2018 and \$1,000,000 of the general fund—state
9 appropriation for fiscal year 2019 are provided solely for the
10 Washington new Americans program. The department may require a cash
11 match or in-kind contributions to be eligible for state funding.

12 (18) \$94,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$253,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for implementation of chapter
15 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

16 (19) \$60,000 of the general fund—state appropriation for fiscal
17 year 2018 is provided solely as a grant to the Hoh Indian tribe for
18 critical infrastructure, including a backup electrical power
19 generator to address recurrent power outages in the community.

20 (20) \$100,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$100,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for capacity-building grants
23 through the Latino community fund to promote and improve education,
24 economic empowerment, arts and culture, civic engagement, health, and
25 environmental justice for Latino communities in Washington state.

26 (21) \$643,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$643,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for the department to contract
29 with a private, nonprofit organization to provide developmental
30 disability ombuds services.

31 (22) \$39,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$39,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for implementation of chapter
34 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

35 (23) \$1,000,000 of the home security fund—state appropriation,
36 \$2,000,000 of the Washington housing trust account—state
37 appropriation, and \$1,000,000 of the affordable housing for all
38 account—state appropriation are provided solely for the department of

1 commerce for services to homeless families and youth through the
2 Washington youth and families fund.

3 (24)(a) \$500,000 of the general fund—state appropriation for
4 fiscal year 2018, \$500,000 of the general fund—state appropriation
5 for fiscal year 2019, and \$2,500,000 of the home security fund—state
6 appropriation are provided solely for the office of homeless youth
7 prevention and protection programs to:

8 (i) Contract with other public agency partners to test innovative
9 program models that prevent youth from exiting public systems into
10 homelessness; and

11 (ii) Support the development of an integrated services model,
12 increase performance outcomes, and ensure providers have the
13 necessary skills and expertise to effectively operate youth programs.

14 (b) Of the amounts provided in this subsection, \$1,750,000 is
15 provided solely for the department to decrease homelessness of youth
16 under 18 years of age through increasing shelter capacity statewide
17 with preference given to increasing the number of contracted HOPE
18 beds and crisis residential center beds.

19 (c) The department must distribute appropriated amounts from the
20 home security account through performance-based contracts that
21 require, at a minimum, monthly reporting of performance and financial
22 metrics. The contracts must require that auditable documentation for
23 the performance and financial metrics be provided to the joint
24 legislative audit and review committee as requested for performance
25 audits.

26 (25) \$140,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$140,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely to create a behavioral health
29 supportive housing administrator within the department to coordinate
30 development of effective behavioral health housing options and
31 services statewide to aide in the discharge of individuals from the
32 state psychiatric hospitals. This position must work closely with the
33 health care authority, department of social and health services, and
34 other entities to facilitate linkages among disparate behavioral
35 health community bed capacity-building efforts. This position must
36 work to integrate building infrastructure capacity with ongoing
37 supportive housing benefits, and must also develop and maintain a
38 statewide inventory of mental health community beds by bed type.

1 (26)(a) \$1,000,000 of the home security fund—state appropriation
2 for fiscal year 2018 and \$1,000,000 of the home security fund—state
3 appropriation for fiscal year 2019 are provided solely to administer
4 the grant program required in chapter 43.185C RCW, linking homeless
5 students and their families with stable housing.

6 (b) The department must distribute appropriated amounts from the
7 home security account through performance-based contracts that
8 require, at a minimum, monthly reporting of performance and financial
9 metrics. The contracts must require that auditable documentation for
10 the performance and financial metrics be provided to the joint
11 legislative audit and review committee as requested for performance
12 audits.

13 (27) \$990,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$1,980,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for 150 community beds for
16 individuals with a history of mental illness. Currently, there is
17 little to no housing specific to populations with these co-occurring
18 disorders; therefore, the department must consider how best to
19 develop new bed capacity in combination with individualized support
20 services, such as intensive case management and care coordination,
21 clinical supervision, mental health, substance abuse treatment, and
22 vocational and employment services. Case-management and care
23 coordination services must be provided. Increased case-managed
24 housing will help to reduce the use of jails and emergency services
25 and will help to reduce admissions to the state psychiatric
26 hospitals. The department must coordinate with the health care
27 authority and the department of social and health services in
28 establishing conditions for the awarding of these funds. The
29 department must contract with local entities to provide a mix of (a)
30 shared permanent supportive housing; (b) independent permanent
31 supportive housing; and (c) low and no-barrier housing beds for
32 people with a criminal history, substance abuse disorder, and/or
33 mental illness.

34 Priority for permanent supportive housing must be given to
35 individuals on the discharge list at the state psychiatric hospitals
36 or in community psychiatric inpatient beds whose conditions present
37 significant barriers to timely discharge.

38 (28) \$557,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$557,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the department to design and
2 administer the achieving a better life experience program.

3 (29) \$512,000 of the general fund—state appropriation for fiscal
4 year 2018 is provided solely to complete the requirements of the
5 agricultural labor skills and safety grant program in chapter 43.330
6 RCW. This program expires July 1, 2018.

7 (30) \$150,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$150,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for the implementation of
10 chapter 225, Laws of 2017 (SSB 5713) (skilled worker program).

11 (31) \$50,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$50,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the wildfire project in the
14 Wenatchee valley to provide public education on wildfire and forest
15 health issues.

16 (32) \$167,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$167,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for community mobilization
19 grants to safe Yakima and safe streets of Tacoma to foster community
20 engagement through neighborhood organizing, law enforcement-community
21 partnerships, neighborhood watch programs, youth mobilization, and
22 business engagement.

23 (33)(a) \$83,000 of the general fund—state appropriation for
24 fiscal year 2018 and \$83,000 of the general fund—state appropriation
25 for fiscal year 2019 are provided solely for the department to create
26 el nuevo camino pilot project for the purpose of addressing serious
27 youth gang problems in midsize counties in eastern Washington. El
28 nuevo camino pilot project must include one grant to an eligible
29 applicant for the 2017-2019 fiscal biennium. The department shall
30 adopt policies and procedures as necessary to administer the pilot
31 project, including the application process, disbursement of the grant
32 award to the selected applicant, and tracking compliance and
33 measuring outcomes.

34 (b) An eligible applicant:

35 (i) Is a county located in Washington or its designee;

36 (ii) Is located east of the Cascade mountain range with an
37 estimated county population between ninety thousand and one hundred
38 thousand as of January 1, 2017;

39 (iii) Has an identified gang problem;

1 (iv) Pledges and provides a minimum of sixty percent of matching
2 funds over the same time period of the grant;

3 (v) Has established a coordinated effort with committed partners,
4 including law enforcement, prosecutors, mental health practitioners,
5 and schools;

6 (vi) Has established goals, priorities, and policies in
7 compliance with the requirements of (c) of this subsection; and

8 (vii) Demonstrates a clear plan to engage in long-term antigang
9 efforts after the conclusion of the pilot project.

10 (c) The grant recipient must:

11 (i) Work to reduce youth gang crime and violence by implementing
12 the comprehensive gang model of the federal juvenile justice and
13 delinquency prevention act of 1974;

14 (ii) Increase mental health services to unserved and underserved
15 youth by implementing the best practice youth mental health model of
16 the national center for mental health and juvenile justice;

17 (iii) Work to keep high-risk youth in school, reenroll dropouts,
18 and improve academic performance and behavior by engaging in a grass
19 roots team approach in schools with the most serious youth violence
20 and mental health problems, which must include a unique and
21 identified team in each district participating in the project;

22 (iv) Hire a project manager and quality assurance coordinator;

23 (v) Adhere to recommended quality control standards for
24 Washington state research-based juvenile offender programs as set
25 forth by the Washington state institute for public policy; and

26 (vi) Report to the department by September 1, 2019, with the
27 following:

28 (A) The number of youth and adults served through the project and
29 the types of services accessed and received;

30 (B) The number of youth satisfactorily completing chemical
31 dependency treatment in the county;

32 (C) The estimated change in domestic violence rates;

33 (D) The estimated change in gang participation and gang violence;

34 (E) The estimated change in dropout and graduation rates;

35 (F) The estimated change in overall crime rates and crimes
36 typical of gang activity;

37 (G) The estimated change in recidivism for youth offenders in the
38 county; and

39 (H) Other information required by the department or otherwise
40 pertinent to the pilot project.

1 (d) The department shall report the information from (c)(vi) of
2 this subsection and other relevant data to the legislature and the
3 governor by October 1, 2019.

4 (34)(a) During the 2017-2019 fiscal biennium, the department must
5 revise its agreements and contracts with vendors to include a
6 provision to require that each vendor agrees to equality among its
7 workers by ensuring similarly employed individuals are compensated as
8 equals as follows:

9 (i) Employees are similarly employed if the individuals work for
10 the same employer, the performance of the job requires comparable
11 skill, effort, and responsibility, and the jobs are performed under
12 similar working conditions. Job titles alone are not determinative of
13 whether employees are similarly employed;

14 (ii) Vendors may allow differentials in compensation for its
15 workers based in good faith on any of the following:

16 (A) A seniority system; a merit system; a system that measures
17 earnings by quantity or quality of production; a bona fide job-
18 related factor or factors; or a bona fide regional difference in
19 compensation levels.

20 (B) A bona fide job-related factor or factors may include, but
21 not be limited to, education, training, or experience, that is:
22 Consistent with business necessity; not based on or derived from a
23 gender-based differential; and accounts for the entire differential.

24 (C) A bona fide regional difference in compensation level must
25 be: Consistent with business necessity; not based on or derived from
26 a gender-based differential; and account for the entire differential.

27 (b) The provision must allow for the termination of the contract
28 if the department or department of enterprise services determines
29 that the vendor is not in compliance with this agreement or contract
30 term.

31 (c) The department must implement this provision with any new
32 contract and at the time of renewal of any existing contract.

33 (35) \$102,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$75,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for the implementation of
36 chapter 315, Laws of 2017 (ESB 5128) (incremental energy).

37 (36) \$26,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$12,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the implementation of
2 chapter 279, Laws of 2017 (SHB 1988) (vulnerable youth guardians).

3 (37) \$468,000 of the financial services regulation account—state
4 appropriation is provided solely for the family prosperity account
5 program.

6 (38) The department is authorized to suspend issuing any
7 nonstatutorily required grants or contracts of an amount less than
8 \$1,000,000 per year.

9 (39) The entire home security account appropriation in this
10 section is provided solely for administration through performance-
11 based contracts that require, at a minimum, monthly reporting of
12 performance and financial metrics. The contracts must require that
13 auditable documentation for the performance and financial metrics be
14 provided to the joint legislative audit and review committee as
15 requested for performance audits.

16 (40)(a) \$250,000 of the public works assistance account—state
17 appropriation is provided solely for the department to contract with
18 a consultant to study strategies for increasing the competitiveness
19 of rural businesses in securing local government contracts within
20 their same rural county, and for providing outreach services to
21 employers in rural communities. The consultant must:

22 (i) Be a 501(c)(3) nonprofit organization;

23 (ii) Be located in a county with a population of less than two
24 million; and

25 (iii) Provide statewide business representation and expertise
26 with relevant experience in the evaluation of rural economies.

27 (b) The study must include the following:

28 (i) An analysis of the net economic and employment impacts to
29 rural communities of awarding local government contracts to
30 businesses outside the rural county in comparison to awarding local
31 government contracts to businesses based in the same rural county;

32 (ii) A survey of local government entities to collect relevant
33 data to include but not be limited to: The total number and amount of
34 contracts awarded in 2015 and 2016 by local governments in rural
35 counties; the number and amount of contracts awarded to businesses
36 based in rural counties in comparison to the number and amounts
37 awarded to businesses based in nonrural counties; the number of
38 contracts where a rural business responded to a request for proposal
39 but was not the minimum bidder; the percentage spread between the
40 rural business and the lowest bidder; and the number of times the

1 local government moved to the next most qualified bidder in a request
2 for qualification out of the total professional service contracts
3 awarded;

4 (iii) A review of current regulations and best practices in other
5 jurisdictions. The study must identify existing policy barriers, if
6 present, and potential policy changes to increase the competitiveness
7 of rural businesses in securing local government contracts within
8 their same geographic region, including but not be limited to the
9 risks and benefits of establishing a preference for local businesses
10 for rural government contracts; and

11 (iv) Discussion on the implications for projects that receive
12 federal funding.

13 The study must be provided to the office of financial management and
14 fiscal committees of the legislature by December 31, 2017.

15 (c) The department's external relations division must expand
16 existing outreach services offered to rural employers to include
17 training on processes to compete effectively for public works
18 contracts within their communities. The external relations division
19 must receive training on contract law to better support their
20 outreach services. The cost of the training may not exceed \$10,000.

21 (41) \$40,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$40,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the Federal Way day center
24 to provide housing and other assistance to persons over 18
25 experiencing homelessness.

26 (42) \$200,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$200,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for implementation of Second
29 Substitute Senate Bill No. 5254 (buildable lands and zoning). If this
30 bill is not enacted by July 31, 2017, the amounts provided in this
31 subsection shall lapse.

32 (43) \$700,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$600,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for staff and upgrades to the
35 homeless management information system.

36 (44) \$50,000 of the general fund—state appropriation for fiscal
37 year 2018 is provided solely for the department to conduct a study on
38 the current state of data center industry in Washington and whether
39 changes to existing state policies would result in additional

1 investment and job creation in Washington as well as advance the
2 development of the state's technology ecosystems. The study is due to
3 the appropriate committees of the legislature by December 1, 2017.

4 (45) \$500,000 of the general fund—state appropriation for 2018 is
5 provided solely for the department to formulate a statewide tourism
6 marketing plan in collaboration with a nonprofit statewide tourism
7 organization as provided in Substitute Senate Bill No. 5251.

8 (46) \$80,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$80,000 of the general fund—state appropriation for
10 fiscal year 2019 is provided solely as a grant to Klickitat county
11 for a land use planner to process a backlog of permits that have not
12 been processed by the Columbia river gorge commission due to lack of
13 funds.

14 (47) \$310,000 of the general fund—state appropriation for fiscal
15 year 2019 is provided solely for the department to create the
16 governor's office on broadband access as provided in Engrossed Second
17 Substitute Senate Bill No. 5935 (broadband and telecommunications
18 service). If the bill is not enacted by June 30, 2018, the amount
19 provided in this subsection shall lapse. Of the amount appropriated,
20 the department must fund at least one staff person to focus on rural
21 unserved and underserved communities, including tribes.

22 (48) \$1,500,000 of the statewide tourism marketing account—state
23 appropriation is provided solely for implementation of Engrossed
24 Fourth Substitute Senate Bill No. 5251 (tourism marketing). Of the
25 amount appropriated, \$198,000 is provided solely for expenditures of
26 the department that are related to implementation of the statewide
27 tourism marketing program and operation of the authority. If the bill
28 is not enacted by June 30, 2018, the amount provided in this
29 subsection shall lapse.

30 (49) \$402,000 of the landlord mitigation account—state
31 appropriation for fiscal year 2019 is provided solely for
32 implementation of Engrossed Second Substitute Senate Bill No. 5407
33 (housing options). If the bill is not enacted by June 30, 2018, the
34 amount provided in this subsection shall lapse.

35 (50) \$96,000 of the general fund—state appropriation for fiscal
36 year 2019 is provided solely for implementation of Substitute Senate
37 Bill No. 6175 (common interest ownership). If the bill is not enacted
38 by June 30, 2018, the amount provided in this subsection shall lapse.

1 (51) \$50,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for the city of Issaquah to host a
3 regional or national sports medicine conference.

4 (52) \$175,000 of the economic development strategic reserve
5 account—state appropriation is provided solely for implementation of
6 Substitute Senate Bill No. 6236 (state economic growth commission).
7 If the bill is not enacted by June 30, 2018, the amount provided in
8 this subsection shall lapse.

9 (53) \$20,000 of the general fund—state appropriation for fiscal
10 year 2019 is provided solely for implementation of Engrossed
11 Substitute Senate Bill No. 6081 (distributed generation). If the bill
12 is not enacted by June 30, 2018, the amount provided in this
13 subsection shall lapse.

14 (54) \$150,000 of the general fund—state appropriation for fiscal
15 year 2019 is provided solely for a grant to the city of Yakima to
16 establish a gang prevention pilot program. The pilot program shall
17 have the goal of creating a sustainable organized response to gang
18 activity utilizing evidence-based resources.

19 **Sec. 128.** 2017 3rd sp.s. c 1 s 129 (uncodified) is amended to
20 read as follows:

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

22	General Fund—State Appropriation (FY 2018).	((\$850,000))
23		<u>\$799,000</u>
24	General Fund—State Appropriation (FY 2019).	((\$905,000))
25		<u>\$854,000</u>
26	Lottery Administrative Account—State Appropriation.	\$50,000
27	<u>Pension Funding Stabilization Account—State</u>	
28	<u>Appropriation.</u>	<u>\$102,000</u>
29	TOTAL APPROPRIATION.	\$1,805,000

30 **Sec. 129.** 2017 3rd sp.s. c 1 s 130 (uncodified) is amended to
31 read as follows:

32 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

33	General Fund—State Appropriation (FY 2018).	((\$11,711,000))
34		<u>\$12,547,000</u>
35	General Fund—State Appropriation (FY 2019).	((\$11,956,000))
36		<u>\$11,230,000</u>
37	General Fund—Federal Appropriation.	\$39,716,000

1	General Fund—Private/Local Appropriation.	((\$501,000))
2		<u>\$500,000</u>
3	Economic Development Strategic Reserve Account—State	
4	Appropriation.	\$314,000
5	Personnel Service Fund—State Appropriation.	((\$8,882,000))
6		<u>\$8,888,000</u>
7	Higher Education Personnel Services Account—State	
8	Appropriation.	\$1,497,000
9	Performance Audits of Government Account—State	
10	Appropriation.	\$621,000
11	Statewide Information Technology System Development	
12	Revolving Account—State Appropriation.	\$6,503,000
13	OFM Central Services—State Appropriation.	((\$19,237,000))
14		<u>\$19,253,000</u>
15	<u>Pension Funding Stabilization Account—State</u>	
16	<u>Appropriation.</u>	<u>\$2,448,000</u>
17	TOTAL APPROPRIATION.	((\$100,938,000))
18		<u>\$103,517,000</u>

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

21 (1) The appropriations in this section represent a transfer of
22 expenditure authority of \$4,000,000 of the general fund—federal
23 appropriation from the health care authority to the office of
24 financial management to implement chapter 246, Laws of 2015 (all-
25 payer health care claims database).

26 (2)(a) The student achievement council and all institutions of
27 higher education eligible to participate in the state need grant
28 shall ensure that data needed to analyze and evaluate the
29 effectiveness of the state need grant program are promptly
30 transmitted to the education data center so that it is available and
31 easily accessible. The data to be reported must include but not be
32 limited to:

- 33 (i) The number of state need grant recipients;
- 34 (ii) The number of students on the unserved waiting list of the
35 state need grant;
- 36 (iii) Persistence and completion rates of state need grant
37 recipients and students on the state need grant unserved waiting
38 list, disaggregated by institutions of higher education;

1 (iv) State need grant recipients and students on state need grant
2 unserved waiting list grade point averages; and

3 (v) State need grant program costs.

4 (b) The student achievement council shall submit student unit
5 record data for the state need grant program applicants and
6 recipients to the education data center.

7 (3) \$149,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$144,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely to implement chapter 172, Laws
10 of 2017 (SHB 1741) (educator preparation data/PESB).

11 (4) \$84,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$75,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely to implement chapter 53, Laws of
14 2017 (2SHB 1120) (regulatory fairness act).

15 (5) The office of financial management must perform a legal and
16 policy review of whether the lead organization of the statewide
17 health claims database established in chapter 43.371 RCW may collect
18 certain data from drug manufacturers and use this data to bring
19 greater public transparency to prescription drug prices.
20 Specifically, the review must analyze whether the organization may
21 collect and use manufacturer's pricing data on high-cost new and
22 existing prescription drugs, including itemized production and sales
23 data and Canadian pricing. The office of financial management must
24 report by December 15, 2017, to the health care committees of the
25 legislature the results of the study and any necessary legislation to
26 authorize the collection of pricing data and to produce public
27 analysis and reports that help promote prescription drug
28 transparency.

29 (6) \$500,000 of the general fund—state appropriation for fiscal
30 year 2018, \$131,000 of the general fund—state appropriation for
31 fiscal year 2019, and \$139,000 of the personnel service account—state
32 appropriation are provided solely for implementation of Engrossed
33 Second Substitute House Bill No. 1661 (children, youth, families
34 department). The cost allocation contract must include a
35 determination of the amount of administrative funding to be
36 transferred between appropriations in sections 223(1) and 223(2) of
37 this act to section 222(3) of this act for the new department of
38 children, youth, and families. If the bill is not enacted by July 31,
39 2017, the amounts provided in this subsection shall lapse.

1 (7) \$4,503,000 of the statewide information technology system
2 development revolving account—state appropriation is provided solely
3 for readiness activities related to the One Washington replacement
4 project to modernize and improve administrative systems and related
5 business processes across state government over a multi-biennia time
6 period and this project is subject to the conditions, limitations,
7 and review provided in section 724 of this act. The funding provided
8 in this subsection is for conducting business warehouse planning and
9 system integrations and contracting with a strategic partner for the
10 design of the long-term program blueprint detailing the readiness,
11 planning, and implementation activities related to this project.
12 Legislative expectation is that the strategic partner selected for
13 this design of this long-term blueprint will have proven experience
14 in successfully managing similar efforts in other states or
15 jurisdictions and that the ultimate project scope will integrate
16 performance information and provide information on discrete units of
17 costs for state governmental activities with the goal of improved
18 management and efficiency. The office of financial management will
19 provide the needed management support for this design effort and will
20 ensure that state agencies fully participate in this initial design
21 effort, including the office of chief information officer. The office
22 of financial management will provide quarterly reports to the
23 legislative fiscal committees and the legislative evaluation and
24 accountability program committee. Before submitting additional
25 funding requests for this project, the office of financial management
26 will submit a comprehensive detailed feasibility study and financial
27 plan for the project to the legislative evaluation and accountability
28 program committee.

29 (8) \$4,000,000 of the general fund—federal appropriation is
30 provided solely for the procurement and implementation of the
31 Washington state all payer claims database project and this project
32 is subject to the conditions, limitations, and review provided in
33 section 724 of this act.

34 (9) \$140,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$140,000 of the general fund—federal appropriation are
36 provided solely for the authority to incorporate long-term inpatient
37 care as defined in RCW 71.24.025 into the psychiatric managed care
38 capitation risk model. The model shall be submitted to the governor
39 and appropriate committees of the legislature by December 1, 2017.

1 The model must integrate civil inpatient psychiatric hospital
2 services including ninety and one hundred eighty day commitments
3 provided in state hospitals or community settings into medicaid
4 managed care capitation rates and nonmedicaid contracts. The model
5 should phase-in the financial risk such that managed care
6 organizations bear full financial risk for long-term civil inpatient
7 psychiatric hospital commitments beginning January 2020. The model
8 must address strategies to ensure that the state is able to maximize
9 the state's allotment of federal disproportionate share funding.

10 (10) The office of financial management will convene a work group
11 consisting of the department of social and health services and
12 appropriate fiscal and policy staff from the house of representatives
13 office of program research and senate committee services for the
14 purpose of reviewing language traditionally added to section 201 in
15 supplemental operating omnibus appropriations acts to allow the
16 department to transfer moneys between sections of the act and to
17 allow for moneys that are provided solely for a specified purpose to
18 be used for other than that purpose. The work group will review the
19 department's use of the language, develop options to reduce or
20 eliminate the need for this language, and explore revisions to the
21 language. The work group must also discuss alternatives to the
22 language to achieve the shared goal of balancing expenditures to
23 appropriation while preserving the legislature's ability to direct
24 policy through appropriation. Alternatives should include increased
25 use of supplemental budget decision packages, the creation of a
26 reserve fund for unanticipated expenditures, and other measures the
27 work group develops.

28 (11) Within existing resources, the labor relations section shall
29 produce a report annually on workforce data and trends for the
30 previous fiscal year. At a minimum, the report must include a
31 workforce profile; information on employee compensation, including
32 salaries and cost of overtime; and information on retention,
33 including average length of service and workforce turnover.

34 (12) \$75,000 of the recreation access pass account—state
35 appropriation is provided solely for the office of financial
36 management, in consultation with the parks and recreation commission,
37 department of natural resources, and department of fish and wildlife,
38 to further analyze the cost and revenue potential of the options and
39 recommendations in Recreation Fees in Washington: Options and
40 Recommendations (The William D. Ruckelshaus Center, December 2017).

1 The office must collaborate with other relevant agencies and
2 appropriate stakeholders. The office must provide a report to the
3 appropriate committees of the legislature by September 1, 2018. For
4 each of the options, the report must:

5 (a) Identify the types of recreational access pass products,
6 exemption and discount types, and levels;

7 (b) Specify price points and projected demand for each type of
8 recreational access pass product that would result in revenue
9 increases of five percent, ten percent, and fifteen percent;

10 (c) Describe implementation and logistical considerations of
11 selling each of the options through a single place on the internet or
12 through the department of fish and wildlife's licensing system;

13 (d) Identify fiscal impacts of changing the state access pass to
14 each of the options identified including any combination state and
15 federal recreational access pass options; and

16 (e) Provide any additional recommendations for implementation,
17 transition, or changes in state law needed to implement each of the
18 options.

19 (13) The office of financial management shall provide a report to
20 the governor and the legislature by November 1, 2018, identifying and
21 assessing the cost and impacts to the state and state employees from
22 the following options to implement the paid family and medical leave
23 act of 2017, for state employees:

24 (a) Obtaining coverage under the state program;

25 (b) Developing a voluntary plan under RCW 50A.04.600 for coverage
26 of state employees;

27 (c) Developing a system to allow the state to make payments in
28 lieu of premium contributions for benefits attributable to state
29 employees; and

30 (d) Providing coverage under the state program.

31 (14) \$2,000,000 of the general fund—state appropriation for
32 fiscal year 2018 is provided solely to support the implementation of
33 the department of children, youth, and families. The department must
34 submit an expenditure plan to the office of financial management and
35 may expend implementation funds after the approval of the director of
36 the office of financial management.

37 (15) The office of financial management shall purchase a workiva
38 software product that will produce the comprehensive annual financial
39 report and other fiscal reports within existing resources.

1 (16) The office of financial management shall procure
2 GovDelivery, a software as a service, that enables government
3 organizations to connect with citizens within existing resources.

4 (17) \$75,000 of the general fund—state appropriation for fiscal
5 year 2019 is provided solely for implementation of chapter 192, Laws
6 of 2017 (Senate Bill No. 5849, veterans services), to develop a
7 veteran's recruitment program.

8 (18) The office of financial management shall develop an
9 implementation plan to create a new agency to manage the public
10 employee benefit and school employee benefit programs that are
11 currently housed within the health care authority, and report to the
12 governor and the legislature by November 1, 2018. The office of
13 financial management may consult with the department of retirement
14 systems in the development of the implementation plan. The report
15 must include draft legislation that will be considered by the 2019
16 legislature.

17 (19)(a) The division of human resources in the office of
18 financial management shall require each state agency to provide a
19 report of the following data for each of the past three fiscal years:

20 (i) The number of sexual harassment reports and complaints made
21 by employees in the agency and the change compared to the previous
22 report;

23 (ii) The number of those complaints that were reviewed and
24 determined not to require an investigation, the number that were
25 investigated, and the number that were determined to be substantiated
26 after investigation;

27 (iii) The nature of the corrective action taken for each
28 complaint using categories developed by the office; and

29 (iv) A narrative of the changes made over this period to agency's
30 policies and procedure in response to complaint trends and
31 experience.

32 (b) The division of human resources in the office of financial
33 management, working with risk management division in the department
34 of enterprise services, shall also provide in the report for each of
35 the past three fiscal years on:

36 (i) The number of sexual harassment claims for violation of state
37 or federal law filed by employees by agency;

38 (ii) The number of claims that have resulted in settlement,
39 judgment, or other payment of damages by agency;

- 1 (iii) The number of claims that have resulted in work
 2 reassignment or other remedial action;
 3 (iv) The total cost of the claims including damages, attorneys'
 4 fees, and others costs, by agency;
 5 (v) The total cost to the state's liability account; and
 6 (vi) The total cost of claims paid through agency appropriations.
 7 (c) This report is due to the governor and the appropriate
 8 committees of the legislature no later than October 1, 2018, and must
 9 be posted for the public on the office of financial management's
 10 agency web site.

11 **Sec. 130.** 2017 3rd sp.s. c 1 s 131 (uncodified) is amended to
 12 read as follows:

13 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**
 14 Administrative Hearings Revolving Account—State
 15 Appropriation. ((~~\$38,898,000~~))
 16 \$38,967,000

17 **Sec. 131.** 2017 3rd sp.s. c 1 s 132 (uncodified) is amended to
 18 read as follows:

19 **FOR THE WASHINGTON STATE LOTTERY**
 20 Lottery Administrative Account—State
 21 Appropriation. ((~~\$28,028,000~~))
 22 \$28,050,000

23 The appropriation in this section is subject to the following
 24 conditions and limitations:

- 25 (1) No portion of this appropriation may be used for acquisition
 26 of gaming system capabilities that violate state law.
 27 (2) Pursuant to RCW 67.70.040, the commission shall take such
 28 action necessary to reduce by \$6,000,000 each fiscal year the total
 29 amount of compensation paid to licensed lottery sales agents. It is
 30 anticipated that the result of this action will reduce retail
 31 commissions to an average of 5.1 percent of sales.

32 **Sec. 132.** 2017 3rd sp.s. c 1 s 133 (uncodified) is amended to
 33 read as follows:

34 **FOR THE COMMISSION ON HISPANIC AFFAIRS**
 35 General Fund—State Appropriation (FY 2018). ((~~\$258,000~~))
 36 \$248,000

1	General Fund—State Appropriation (FY 2019).	((\$268,000))
2		<u>\$255,000</u>
3	<u>Pension Funding Stabilization Account—State</u>	
4	<u>Appropriation.</u>	\$26,000
5	TOTAL APPROPRIATION.	((\$526,000))
6		<u>\$529,000</u>

7 **Sec. 133.** 2017 3rd sp.s. c 1 s 134 (uncodified) is amended to
8 read as follows:

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

10	General Fund—State Appropriation (FY 2018).	((\$268,000))
11		<u>\$269,000</u>
12	General Fund—State Appropriation (FY 2019).	((\$254,000))
13		<u>\$242,000</u>
14	<u>Pension Funding Stabilization Account—State</u>	
15	<u>Appropriation.</u>	\$26,000
16	TOTAL APPROPRIATION.	((\$522,000))
17		<u>\$537,000</u>

18 **Sec. 134.** 2017 3rd sp.s. c 1 s 135 (uncodified) is amended to
19 read as follows:

20 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS**

21	Department of Retirement Systems Expense	
22	Account—State Appropriation.	((\$56,498,000))
23		<u>\$56,735,000</u>

24 The appropriation in this section is subject to the following
25 conditions and limitations:

26 (1) \$17,000 of the appropriation in this section is provided
27 solely for implementation of Substitute Senate Bill No. 5310 (post
28 retirement reemployment options). If the bill is not enacted by June
29 30, 2018, the amount provided in this subsection shall lapse.

30 (2) \$110,000 of the appropriation in this section is provided
31 solely for implementation of Substitute Senate Bill No. 6340 (plan 1
32 retirement benefit increases). If the bill is not enacted by June 30,
33 2018, the amount provided in this subsection shall lapse.

34 **Sec. 135.** 2017 3rd sp.s. c 1 s 136 (uncodified) is amended to
35 read as follows:

36 **FOR THE DEPARTMENT OF REVENUE**

1	General Fund—State Appropriation (FY 2018).	((\$140,954,000))
2		<u>\$130,258,000</u>
3	General Fund—State Appropriation (FY 2019).	((\$138,496,000))
4		<u>\$122,602,000</u>
5	Timber Tax Distribution Account—State	
6	Appropriation.	((\$6,772,000))
7		<u>\$6,773,000</u>
8	Waste Reduction/Recycling/Litter Control—State	
9	Appropriation.	\$157,000
10	State Toxics Control Account—State Appropriation.	\$112,000
11	Business License Account—State Appropriation.	((\$28,211,000))
12		<u>\$19,511,000</u>
13	Performance Audits of Government Account—State	
14	Appropriation.	\$4,640,000
15	<u>Pension Funding Stabilization Account—State</u>	
16	<u>Appropriation.</u>	<u>\$13,488,000</u>
17	Financial Services Regulation Account—State	
18	Appropriations.	((\$5,000,000))
19		<u>\$15,000,000</u>
20	TOTAL APPROPRIATION.	((\$324,342,000))
21		<u>\$312,541,000</u>

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

24 (1) \$5,628,000 of the general fund—state appropriation for fiscal
25 year 2018, \$5,628,000 of the general fund—state appropriation for
26 fiscal year 2019, and \$11,257,000 of the business license account—
27 state appropriation are provided solely for the taxpayer legacy
28 system replacement project.

29 ((+3)) (2) Prior to the suspension of the streamlined sales tax
30 mitigation program established under chapter 82.14 RCW, the
31 department must analyze if and when expected revenue gains from the
32 provisions of sections 201 through 213 of House Bill No. 2163 will be
33 equal to or exceed revenue losses to local taxing districts, as
34 measured under the streamlined sales tax mitigation system from the
35 switch to destination sourcing of sales tax. The analysis must
36 include a comprehensive review of tax, wage, census, and economic
37 data. The review must consider online sales tax and streamlined sales
38 tax mitigation trends for areas with rich concentrations of
39 warehousing distribution and manufacturing centers. The department

1 must provide a report and recommendations to the governor and
2 appropriate committees of the legislature by November 1, 2018. If
3 House Bill No. 2163 (revenue) is not enacted by July 31, 2017, this
4 subsection is void.

5 ~~((4))~~ (3) \$8,028,000 of the general fund—state appropriation
6 for fiscal year 2018 and \$6,304,000 of the general fund—state
7 appropriation for fiscal year 2019 are provided solely for the
8 implementation of House Bill No. 2163 (revenue). If the bill is not
9 enacted by July 31, 2017, the amounts provided in this subsection
10 shall lapse.

11 **Sec. 136.** 2017 3rd sp.s. c 1 s 137 (uncodified) is amended to
12 read as follows:

13 **FOR THE BOARD OF TAX APPEALS**

14	General Fund—State Appropriation (FY 2018).	(\$1,409,000)
15		<u>\$1,709,000</u>
16	General Fund—State Appropriation (FY 2019).	(\$1,438,000)
17		<u>\$1,695,000</u>
18	<u>Pension Funding Stabilization Account—State</u>	
19	Appropriation.	\$162,000
20	TOTAL APPROPRIATION.	(\$2,847,000)
21		<u>\$3,566,000</u>

22 **Sec. 137.** 2017 3rd sp.s. c 1 s 139 (uncodified) is amended to
23 read as follows:

24 **FOR THE INSURANCE COMMISSIONER**

25	General Fund—Federal Appropriation.	\$4,615,000
26	Insurance Commissioners Regulatory Account—State	
27	Appropriation.	(\$59,548,000)
28		<u>\$59,674,000</u>
29	TOTAL APPROPRIATION.	(\$64,163,000)
30		<u>\$64,289,000</u>

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

33 (1) \$48,000 of the insurance commissioners regulatory account—
34 state appropriation is provided solely for implementation of chapter
35 103, Laws of 2017 (EHB 1450) (title insurance rating orgs.).

1 (2) \$12,000 of the insurance commissioners regulatory account—
2 state appropriation is provided solely for implementation of chapter
3 49, Laws of 2017 (SHB 1027) (surplus line broker licenses).

4 (3) \$29,000 of the insurance commissioners regulatory account—
5 state appropriation for fiscal year 2019 is provided solely for
6 implementation of Substitute Senate Bill No. 6059 (insurer annual
7 disclosures). If the bill is not enacted by June 30, 2018, the amount
8 provided in this subsection shall lapse.

9 (4) \$40,000 of the insurance commissioners regulatory account—
10 state appropriation for fiscal year 2019 is provided solely for
11 implementation of Substitute Senate Bill No. 6219 (reproductive
12 health coverage). If the bill is not enacted by June 30, 2018, the
13 amount provided in this subsection shall lapse.

14 (5) \$39,000 of the insurance commissioners regulatory account—
15 state appropriation for fiscal year 2019 is provided solely for
16 implementation of Senate Bill No. 5912 (tomosynthesis/mammography).
17 If the bill is not enacted by June 30, 2018, the amount provided in
18 this subsection shall lapse.

19 **Sec. 138.** 2017 3rd sp.s. c 1 s 140 (uncodified) is amended to
20 read as follows:

21 **FOR THE STATE INVESTMENT BOARD**

22 State Investment Board Expense Account—State	
23 Appropriation.	((\$48,916,000))
24	<u>\$48,908,000</u>

25 **Sec. 139.** 2017 3rd sp.s. c 1 s 141 (uncodified) is amended to
26 read as follows:

27 **FOR THE LIQUOR AND CANNABIS BOARD**

28 Dedicated Marijuana Fund—State Appropriation	
29 (FY 2018).	((\$10,400,000))
30	<u>\$10,382,000</u>
31 Dedicated Marijuana Fund—State Appropriation	
32 (FY 2019).	((\$9,596,000))
33	<u>\$9,576,000</u>
34 Liquor Revolving Account—State Appropriation.	((\$69,578,000))
35	<u>\$69,418,000</u>
36 General Fund—Federal Appropriation.	\$2,912,000
37 General Fund—State Appropriation (FY 2018).	((\$372,000))

1 that a local fire code official does not perform such an inspection
2 or approval as required by state liquor and cannabis board rule.

3 **Sec. 140.** 2017 3rd sp.s. c 1 s 142 (uncodified) is amended to
4 read as follows:

5 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

6	General Fund—Private/Local Appropriation.	\$16,464,000
7	Public Service Revolving Account—State	
8	Appropriation.	(((\$40,248,000))
9		<u>\$40,267,000</u>
10	Pipeline Safety Account—State Appropriation.	(((\$3,412,000))
11		<u>\$3,411,000</u>
12	Pipeline Safety Account—Federal Appropriation.	\$3,072,000
13	TOTAL APPROPRIATION.	(((\$63,196,000))
14		<u>\$63,214,000</u>

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

17 (1) By December 31, 2017, the commission shall report findings
18 and recommendations to the energy committees of the legislature on
19 best practices and policies for electric utilities to develop
20 distributed energy resource plans, applying the traditional utility
21 regulatory principles of fairness, efficiency, reliability, and
22 revenue stability. The report must address: A review of policies and
23 practices for distributed energy resource planning in other states,
24 an inventory of current utility distribution planning practices and
25 capabilities in Washington, and recommendations for using distributed
26 energy resource planning to inform utility integrated resource plans.

27 (2) \$2,093,000 of the public service revolving account—state
28 appropriation is provided solely for the commission to cover the
29 costs of moving its offices to a new location, in cooperation with
30 the department of enterprise services.

31 (3) Up to \$800,000 of the public service revolving account—state
32 appropriation in this section is for the utilities and transportation
33 commission to supplement funds committed by a telecommunications
34 company to expand rural broadband service on behalf of an eligible
35 governmental entity. The amount in this subsection represents
36 payments collected by the utilities and transportation commission
37 pursuant to the Qwest performance assurance plan.

1 (4) \$27,000 of the public service revolving account—state
2 appropriation is provided solely for implementing the provisions of
3 Engrossed Substitute Senate Bill No. 6081 (distributed generation).
4 If the bill is not enacted by June 30, 2018, the amount provided in
5 this subsection shall lapse.

6 (5) The commission must begin a long-term study on the universal
7 service program to the appropriate committees of the legislature on
8 the need for future program funding and recommendations on potential
9 funding mechanisms to improve availability of communications
10 services, including broadband service, in unserved and underserved
11 areas. A preliminary report providing a framework for the how the
12 commission will approach the study is due January 1, 2019.

13 **Sec. 141.** 2017 3rd sp.s. c 1 s 143 (uncodified) is amended to
14 read as follows:

15 **FOR THE MILITARY DEPARTMENT**

16	General Fund—State Appropriation (FY 2018).	((\$7,676,000))
17		<u>\$7,730,000</u>
18	General Fund—State Appropriation (FY 2019).	((\$7,910,000))
19		<u>\$10,438,000</u>
20	General Fund—Federal Appropriation.	((\$118,521,000))
21		<u>\$117,248,000</u>
22	Enhanced 911 Account—State Appropriation.	((\$51,857,000))
23		<u>\$53,470,000</u>
24	Disaster Response Account—State Appropriation.	((\$29,433,000))
25		<u>\$42,018,000</u>
26	Disaster Response Account—Federal Appropriation.	((\$81,560,000))
27		<u>\$118,587,000</u>
28	Military Department Rent and Lease Account—State	
29	Appropriation.	\$615,000
30	Worker and Community Right-to-Know Account—State	
31	Appropriation.	\$2,339,000
32	Oil Spill Prevention Account—State Appropriation.	\$1,028,000
33	Pension Funding Stabilization Account—State	
34	<u>Appropriation.</u>	<u>\$1,243,000</u>
35	TOTAL APPROPRIATION.	((\$300,939,000))
36		<u>\$354,716,000</u>

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

1 (1) The military department shall submit a report to the office
2 of financial management and the legislative fiscal committees on
3 (~~October 1st and~~) February 1st, July 31st, and October 31st of each
4 year detailing information on the disaster response account,
5 including: (a) The amount and type of deposits into the account; (b)
6 the current available fund balance as of the reporting date; and (c)
7 the projected fund balance at the end of the 2017-2019 biennium based
8 on current revenue and expenditure patterns.

9 (2) \$40,000,000 of the general fund—federal appropriation is
10 provided solely for homeland security, subject to the following
11 conditions: Any communications equipment purchased by local
12 jurisdictions or state agencies shall be consistent with standards
13 set by the Washington state interoperability executive committee.

14 (3) \$100,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$100,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for the conditional scholarship
17 program pursuant to chapter 28B.103 RCW.

18 (4) \$5,389,000 of the enhanced 911 account—state appropriation is
19 provided solely for transitioning to an internet protocol based next
20 generation 911 network and increased network costs during the
21 transition and hardware required for the new system. The department's
22 activities and procurement is a major information technology project
23 subject to oversight and review by the office of the chief
24 information officer.

25 (5) \$11,000,000 of the enhanced 911 account—state appropriation
26 is provided solely for financial assistance to counties.

27 (6) \$2,000,000 of the enhanced 911 account—state appropriation is
28 provided solely for one-time grants to (~~small and medium-sized,~~
29 ~~rural counties for replacement of~~) Skagit, Cowlitz, Island, and
30 Whatcom counties for replacing and upgrading the equipment necessary
31 to maintain 911 service after the state's transition to a next
32 generation 911 system(, ~~including reimbursement of replacement and~~
33 upgrades that have already been made)). Grants may also be used to
34 reimburse costs incurred in prior biennia for replacing and upgrading
35 equipment for 911 services.

36 (7) \$784,000 of the disaster response account—state appropriation
37 is provided solely for fire suppression training (~~and~~), equipment,
38 and supporting costs to national guard soldiers and airmen.

1 (8) \$38,000 of the enhanced 911 account—state appropriation is
2 provided solely for implementation of chapter 295, Laws of 2017 (SHB
3 1258) (first responders/disability).

4 (9) \$372,000 of the disaster response account—state appropriation
5 is provided solely for implementation of chapter 312, Laws of 2017
6 (SSB 5046) (language of public notices).

7 (10) Appropriations provided to the department are sufficient to
8 fund the administrative costs associated with implementation of
9 chapter 173, Laws of 2017 (E2SHB 1802) (veterans/shared leave
10 access).

11 (11) (~~(\$951,000)~~) \$190,000 of the disaster response account—state
12 appropriation is provided solely to Okanogan and Ferry counties to
13 continue to address deficiencies within their communications
14 infrastructure for 911 dispatch. Funding will be used to replace
15 failing radio dispatching hardware within 911 dispatch centers; build
16 interoperable communications between each county's dispatch center
17 such that each can serve as a back-up to the other; and build upon
18 the existing wireless microwave network for 911 calls, dispatch
19 centers, and first responder radio operations.

20 (12) \$1,582,000 of the general fund—state appropriation for
21 fiscal year 2019 and \$2,618,000 of the enhanced 911 account—state
22 appropriation are provided solely for the department to complete the
23 internet protocol based next generation 911 network project while
24 maintaining financial assistance to counties.

25 (13) \$110,000 of the general fund—state appropriation for fiscal
26 year 2019 is provided solely for implementing the provisions of
27 Substitute Senate Bill No. 6011 (continuity of government). If the
28 bill is not enacted by June 30, 2018, the amount provided in this
29 subsection shall lapse.

30 (14) \$215,000 of the general fund—state appropriation for fiscal
31 year 2018 is provided solely for the department to assist Skagit
32 county with equipment replacement and upgrades for their 911
33 services.

34 (15) \$500,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$1,500,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for the department to support
37 enhanced 911 services.

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

(1) (~~(\$4,031,000)~~) \$3,994,000 of the general fund—state appropriation for fiscal year 2018 and (~~(\$4,082,000)~~) \$3,974,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the payment of facilities and services charges, utilities and contracts charges, public and historic facilities charges, and capital projects surcharges allocable to the senate, house of representatives, statute law committee, legislative support services, joint legislative systems committee, and office of support services. The department shall allocate charges attributable to these agencies among the affected revolving funds. The department shall maintain an interagency agreement with these agencies to establish performance standards, prioritization of preservation and capital improvement projects, and quality assurance provisions for the delivery of services under this subsection. The legislative agencies named in this subsection shall continue to enjoy all of the same rights of occupancy and space use on the capitol campus as historically established.

(2) In accordance with RCW 46.08.172 and 43.135.055, the department is authorized to increase parking fees in fiscal years 2018 and 2019 as necessary to meet the actual costs of conducting business.

(3) Before any agency may purchase a passenger motor vehicle as defined in RCW 43.19.560, the agency must have written approval from the director of the department of enterprise services. Agencies that are exempted from the requirement are the Washington state patrol, Washington state department of transportation, and the department of natural resources.

(4) From the fee charged to master contract vendors, the department shall transfer to the office of minority and women's business enterprises in equal monthly installments \$1,500,000 in fiscal year 2018 and \$1,300,000 in fiscal year 2019.

(5) The risk management system project funded through the risk management administration account created in RCW 4.92.220 is subject to the conditions, limitations, and review provided in section 724 of this act.

1 (6)(a) During the 2017-2019 fiscal biennium, the department must
2 revise its master contracts with vendors, including cooperative
3 purchasing agreements under RCW 39.26.060, to include a provision to
4 require that each vendor agrees to equality among its workers by
5 ensuring similarly employed individuals are compensated as equals as
6 follows:

7 (i) Employees are similarly employed if the individuals work for
8 the same employer, the performance of the job requires comparable
9 skill, effort, and responsibility, and the jobs are performed under
10 similar working conditions. Job titles alone are not determinative of
11 whether employees are similarly employed;

12 (ii) Vendors may allow differentials in compensation for its
13 workers based in good faith on any of the following:

14 (A) A seniority system; a merit system; a system that measures
15 earnings by quantity or quality of production; a bona fide job-
16 related factor or factors; or a bona fide regional difference in
17 compensation levels.

18 (B) A bona fide job-related factor or factors may include, but
19 not be limited to, education, training, or experience, that is:
20 Consistent with business necessity; not based on or derived from a
21 gender-based differential; and accounts for the entire differential.

22 (C) A bona fide regional difference in compensation level must
23 be: Consistent with business necessity; not based on or derived from
24 a gender-based differential; and account for the entire differential.

25 (b) The provision must allow for the termination of the contract
26 if the public entity using the contract or agreement of the
27 department of enterprise services determines that the vendor is not
28 in compliance with this agreement or contract term.

29 (c) The department must implement this provision with any new
30 contract and at the time of renewal of any existing contract.

31 (d) Any cost for the implementation of this section must be
32 recouped from the fees charged to master contract vendors.

33 (7) \$14,000 of the general fund—state appropriation for fiscal
34 year 2019 is provided solely for implementation of Substitute Senate
35 Bill No. 6081 (distributed generation). If the bill is not enacted by
36 June 30, 2018, the amount provided in this subsection shall lapse.

37 (8) \$13,000 of the general fund—state appropriation for fiscal
38 year 2019 is provided solely for implementation of Engrossed Senate
39 Bill No. 5450 (cross-laminated timber). If the bill is not enacted by
40 June 30, 2018, the amount provided in this subsection shall lapse.

1 (9) \$130,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for activities to resolve issues related
3 to the ferry county memorial public hospital district energy savings
4 performance contract. The department of enterprise services must
5 redouble its activities to enforce performance from the energy
6 savings performance contractor, identify the work necessary to
7 address the deficiencies of the heating, ventilation, and air
8 conditioning system (HVAC), and any other actions to make the
9 hospital district whole under the contract. The department must
10 provide monthly status reports to the director of the office of
11 financial management and the legislature on steps, timelines, and
12 activities to repair the HVAC system and secure contractor
13 performance. In the May 2018 report, the department must identify
14 steps that may be taken to improve its master contract to remove
15 contractors for performance failures from its master contract or to
16 add other contract remedies to prevent similar events. No moneys may
17 be expended from the appropriations in this section for department of
18 enterprise services costs, except for costs related to actual
19 litigation with the energy savings performance contractor or its
20 insurer. Moneys may be used for litigation or actual repair and
21 replacement costs incurred by the hospital associated with the
22 fulfillment of the contract.

23 (10) During the 2017-2019 fiscal biennium, the department shall
24 allow individuals to access the top of the capitol dome under
25 approved supervision and guidelines developed by the department.

26 **Sec. 145.** 2017 3rd sp.s. c 1 s 149 (uncodified) is amended to
27 read as follows:

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

29	General Fund—State Appropriation (FY 2018).	((\$1,607,000))
30		<u>\$1,570,000</u>
31	General Fund—State Appropriation (FY 2019).	((\$1,633,000))
32		<u>\$1,643,000</u>
33	General Fund—Federal Appropriation.	\$2,228,000
34	General Fund—Private/Local Appropriation.	\$264,000
35	<u>Pension Funding Stabilization Account—State</u>	
36	<u>Appropriation.</u>	<u>\$136,000</u>
37	TOTAL APPROPRIATION.	((\$5,732,000))
38		<u>\$5,841,000</u>

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

3 (1) \$103,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$103,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for archaeological
6 determinations and excavations of inadvertently discovered skeletal
7 human remains, and removal and reinterment of such remains when
8 necessary.

9 (2) \$80,000 of the general fund—state appropriation for fiscal
10 year 2019 is provided solely for the department to work with the
11 department of commerce to facilitate a capital needs assessment study
12 of historic public libraries in distressed counties.

13 **Sec. 146.** 2017 3rd sp.s. c 1 s 150 (uncodified) is amended to
14 read as follows:

15 **FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY**

16	General Fund—State Appropriation (FY 2018).	\$187,000
17	General Fund—State Appropriation (FY 2019).	(\$188,000)
18		<u>\$238,000</u>
19	Consolidated Technology Services Revolving	
20	Account—State Appropriation	(\$19,136,000)
21		<u>\$17,353,000</u>
22	TOTAL APPROPRIATION.	(\$19,511,000)
23		<u>\$17,778,000</u>

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

26 (1) \$7,263,000 of the consolidated technology services revolving
27 account—state appropriation is for the office of the chief
28 information officer.

29 (2) \$9,443,000 of the consolidated technology services revolving
30 account—state appropriation is for the office of cyber security.

31 (3) The consolidated technology services agency shall work with
32 customer agencies using the Washington state electronic records vault
33 (WASERV) to identify opportunities to:

34 (a) Reduce storage volumes and costs associated with vault
35 records stored beyond the agencies' record retention schedules; and

36 (b) Assess a customized service charge as defined in chapter 304,
37 Laws of 2017 for costs of using WASERV to prepare data compilations
38 in response to public records requests.

1 (4) The consolidated technology services agency shall provide
2 desktop support services without charging a per device fee to the
3 following agencies: The governor's office of Indian affairs, the
4 commission on Asian Pacific American affairs, the citizen's
5 commission on salaries for elected officials, the commission on
6 Hispanic affairs, and the commission on African-American affairs. The
7 consolidated technology services agency must not withhold or reduce
8 desktop support services provided to small agencies that had been
9 receiving desktop support services and had not previously received
10 appropriations provided specifically for the purpose of reimbursing
11 the consolidated technology services agency for those services.

12 (5) In conjunction with the office of the chief information
13 officer's prioritization of proposed information technology
14 expenditures, agency budget requests for proposed information
15 technology expenditures shall include the following: The agency's
16 priority ranking of each information technology request; the
17 estimated cost for the current biennium; the estimated total cost of
18 the request over all biennia; and the expected timeline to complete
19 the request. The office of the chief information officer and the
20 office of financial management may request agencies to include
21 additional information on proposed information technology expenditure
22 requests.

23 (6) The consolidated technology services agency must not increase
24 fees charged for existing services without prior approval by the
25 office of financial management. The agency may develop fees to
26 recover the actual cost of new infrastructure to support increased
27 use of cloud technologies.

28 (7) \$500,000 of the consolidated technology services revolving
29 account—state appropriation is provided solely for the agency, in
30 collaboration with the office of financial management, to conduct a
31 zero-based budget review of the agency's services. Information and
32 analysis submitted by the department for the zero-based review under
33 this subsection shall include:

34 (a) A statement of the statutory basis or other basis for the
35 creation of each program or service and the history of each program
36 or service that is being reviewed;

37 (b) A description of how each program or service fits within the
38 strategic plan and goals of the agency and an analysis of the
39 quantified objectives of each program or service within the agency;

1 (c) Any available performance measures indicating the
2 effectiveness and efficiency of each program or service;

3 (d) A description with supporting cost and staffing data of each
4 program or service and the populations served by each program or
5 service, and the level of funding and staff required to accomplish
6 the goals of the program or service if different than the actual
7 maintenance level;

8 (e) An analysis of the major costs and benefits of operating each
9 program or service and the rationale for specific expenditure and
10 staffing levels;

11 (f) An analysis estimating each program's or service's
12 administrative and other overhead costs;

13 (g) An analysis of the levels of services provided;

14 (h) An analysis estimating the amount of funds or benefits that
15 actually reach the intended recipients; and

16 (i) An analysis and recommendations for alternative service
17 delivery models that would save money or improve service quality.

18 ~~((9))~~ (8) Within existing resources, the agency must provide
19 oversight of state procurement and contracting for information
20 technology goods and services by the department of enterprise
21 services.

22 (9) Within existing resources, the agency must host, administer,
23 and support the state employee directory in an online format to
24 provide public employee contact information.

(End of part)

PART II
HUMAN SERVICES

Sec. 201. 2017 3rd sp.s. c 1 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) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the

1 federal government, historical utilization, economic data, and
2 clinical input constitute reliable data upon which to determine the
3 payment rates.

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

15 (5) Information technology projects or investments and proposed
16 projects or investments impacting time capture, payroll and payment
17 processes and systems, eligibility, case management, and
18 authorization systems within the department of social and health
19 services are subject to technical oversight by the office of the
20 chief information officer.

21 (6)(a) The department shall facilitate enrollment under the
22 medicaid expansion for clients applying for or receiving state funded
23 services from the department and its contractors. Prior to open
24 enrollment, the department shall coordinate with the health care
25 authority to provide referrals to the Washington health benefit
26 exchange for clients that will be ineligible for medicaid.

27 (b) To facilitate a single point of entry across public and
28 medical assistance programs, and to maximize the use of federal
29 funding, the health care authority, the department of social and
30 health services, and the health benefit exchange will coordinate
31 efforts to expand HealthPlanfinder access to public assistance and
32 medical eligibility staff. The department shall complete medicaid
33 applications in the HealthPlanfinder for households receiving or
34 applying for public assistance benefits.

35 (7) In accordance with RCW 71.24.380, the health care authority
36 and the department are authorized to purchase medical and behavioral
37 health services through integrated contracts upon request of all of
38 the county authorities in a regional service area to become an early
39 adopter of fully integrated purchasing of medical and behavioral
40 health services. The department may combine and transfer such amounts

1 appropriated under sections 204, 208, and 213 of this act as may be
2 necessary to fund early adopter contracts. The amount of medicaid
3 funding transferred from each program may not exceed the average per
4 capita cost assumed in this act for individuals covered by that
5 program, actuarially adjusted for the health condition of persons
6 enrolled, times the number of clients enrolled. The amount of non-
7 medicaid funding transferred from sections 204 and 208 may not exceed
8 the amount that would have been contracted with a behavioral health
9 organization if the county authorities had not requested to become an
10 early adopter of fully integrated purchasing. These limits do not
11 apply to the amounts provided in section 204(1)(s) of this act. If
12 any funding that this act provides solely for a specific purpose is
13 transferred under this subsection, that funding must be used
14 consistently with the provisions and conditions for which it was
15 provided.

16 (8) In accordance with RCW 71.24.380, the department is
17 authorized to purchase mental health and substance use disorder
18 services through integrated contracts with behavioral health
19 organizations. The department may combine and transfer such amounts
20 appropriated under sections 204 and 208 of this act as may be
21 necessary to finance these behavioral health organization contracts.
22 If any funding that this act provides solely for a specific purpose
23 is transferred under this subsection, that funding must be used
24 consistently with the provisions and conditions for which it was
25 provided.

26 (9)(a) The appropriations to the department of social and health
27 services in this act must be expended for the programs and in the
28 amounts specified in this act. However, after May 1, 2018, unless
29 prohibited by this act, the department may transfer general fund—
30 state appropriations for fiscal year 2018 among programs after
31 approval by the director of the office of financial management.
32 However, the department may not transfer state moneys that are
33 provided solely for a specified purpose except as expressly provided
34 in (b) of this subsection.

35 (b) To the extent that transfers under (a) of this subsection are
36 insufficient to fund actual expenditures in excess of fiscal year
37 2018 caseload forecasts and utilization assumptions in the long-term
38 care, foster care, adoptions support, medical personal care, and
39 child support programs, the department may transfer state moneys that
40 are provided solely for a specified purpose. The department may not

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

13 **Sec. 202.** 2017 3rd sp.s. c 1 s 202 (uncodified) is amended to
14 read as follows:

15 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—CHILDREN AND FAMILY**
16 **SERVICES PROGRAM**

17	General Fund—State Appropriation (FY 2018).	((\$348,992,000))
18		<u>\$346,081,000</u>
19	General Fund—Federal Appropriation.	((\$265,365,000))
20		<u>\$279,083,000</u>
21	General Fund—Private/Local Appropriation.	\$1,477,000
22	Domestic Violence Prevention Account—State	
23	Appropriation.	\$1,002,000
24	<u>Pension Funding Stabilization Account—</u>	
25	<u>State Appropriation.</u>	<u>\$9,132,000</u>
26	TOTAL APPROPRIATION.	((\$616,836,000))
27		<u>\$636,775,000</u>

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

30 (1) \$748,000 of the general fund—state appropriation for fiscal
31 year 2018 is provided solely to contract for the operation of one
32 pediatric interim care center. The center shall provide residential
33 care for up to thirteen children through two years of age. Seventy-
34 five percent of the children served by the center must be in need of
35 special care as a result of substance abuse by their mothers. The
36 center shall also provide on-site training to biological, adoptive,
37 or foster parents. The center shall provide at least three months of
38 consultation and support to the parents accepting placement of

1 children from the center. The center may recruit new and current
2 foster and adoptive parents for infants served by the center. The
3 department shall not require case management as a condition of the
4 contract.

5 (2) \$253,000 of the general fund—state appropriation for fiscal
6 year 2018 is provided solely for the costs of hub home foster
7 families that provide a foster care delivery model that includes a
8 licensed hub home. Use of the hub home model is intended to support
9 foster parent retention, improve child outcomes, and encourage the
10 least restrictive community placements for children in out-of-home
11 care.

12 (3) \$579,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$55,000 of the general fund—federal appropriation are
14 provided solely for a receiving care center east of the Cascade
15 mountains.

16 (4) \$990,000 of the general fund—state appropriation for fiscal
17 year 2018 is provided solely for services provided through children's
18 advocacy centers.

19 (5) \$1,351,000 of the general fund—state appropriation for fiscal
20 year 2018 is provided solely for implementation of performance-based
21 contracts for family support and related services pursuant to RCW
22 74.13B.020.

23 (6) \$9,474,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$6,022,000 of the general fund—federal appropriation
25 are provided solely for family assessment response.

26 (7) \$94,000 of the general fund—state appropriation for fiscal
27 year 2018 is provided solely for a contract with a child advocacy
28 center in Spokane to provide continuum of care services for children
29 who have experienced abuse or neglect and their families.

30 (8) \$1,874,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$560,000 of the general fund—federal appropriation are
32 provided solely for the children's administration to reduce the
33 caseload ratios of social workers serving children in foster care to
34 promote decreased lengths of stay and to make progress towards
35 achievement of the Braam settlement caseload outcome.

36 (9)(a) \$539,000 of the general fund—state appropriation for
37 fiscal year 2018, \$328,000 of the general fund private/local
38 appropriation, and \$126,000 of the general fund—federal appropriation
39 are provided solely for a contract with an educational advocacy

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

11 (b) The children's administration shall contract with the office
12 of the superintendent of public instruction, which in turn shall
13 contract with a nongovernmental entity or entities to provide
14 educational advocacy services pursuant to RCW 28A.300.590.

15 (10) The children's administration shall continue to implement
16 policies to reduce the percentage of parents requiring supervised
17 visitation, including clarification of the threshold for transition
18 from supervised to unsupervised visitation prior to reunification.

19 (11) \$111,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$26,000 of the general fund—federal appropriation are
21 provided solely for a base rate increase for licensed family child
22 care providers. In addition, \$45,000 of the general fund—state
23 appropriation for fiscal year 2018 and \$11,000 of the general fund—
24 federal appropriation are provided solely for increasing paid
25 professional days from three days to five days for licensed family
26 child care providers. Amounts in this subsection are provided solely
27 for the 2017-2019 collective bargaining agreement covering family
28 child care providers as set forth in section 940 of this act. Amounts
29 provided in this section are contingent upon the enactment of Senate
30 Bill No. 5969 (transparency in public employee collective
31 bargaining). If the bill is not enacted by July 31, 2017, the
32 appropriation in this subsection shall lapse.

33 (12) \$159,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$65,000 of the general fund—federal appropriation are
35 provided solely to implement chapter 265, Laws of 2017 (SHB 1867)
36 (extended foster care).

37 (13) \$100,000 of the general fund—state appropriation for fiscal
38 year 2018 is provided solely for a contract with a national nonprofit
39 organization to, in partnership with private matching funds,

1 subcontract with a community organization for specialized, enhanced
2 adoption placement services for legally free children in state
3 custody. The contract must supplement, but not supplant, the work of
4 the children's administration to secure permanent adoptive homes for
5 children.

6 (14) \$375,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$56,000 of the general fund—federal appropriation are
8 provided solely for the children's administration to develop,
9 implement, and expand strategies to improve the capacity,
10 reliability, and effectiveness of contracted visitation services for
11 children in temporary out-of-home care and their parents and
12 siblings. Strategies may include, but are not limited to, increasing
13 mileage reimbursement for providers, offering transportation-only
14 contract options, and mechanisms to reduce the level of parent-child
15 supervision when doing so is in the best interest of the child. The
16 children's administration must submit an analysis of the strategies
17 and associated outcomes no later than October 1, 2018.

18 (15) \$63,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$19,000 of the general fund—federal appropriation are
20 provided solely for implementation of Engrossed Second Substitute
21 House Bill No. 1661 (child, youth, families/department). If the bill
22 is not enacted by July 31, 2017, the amounts provided in this
23 subsection shall lapse.

24 (16) The children's administration is encouraged to control
25 exceptional reimbursement decisions so that the child's needs are met
26 without excessive costs.

27 (17) \$839,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$160,000 of the general fund—federal appropriation are
29 provided solely for a six percent base rate increase for child care
30 center providers, effective September 1, 2017.

31 (18) \$1,230,000 of the general fund—state appropriation for
32 fiscal year 2018 and \$78,000 of the general fund—federal
33 appropriation are provided solely to increase the travel
34 reimbursement for in-home service providers.

35 (19) \$160,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$3,000 of the general fund—federal appropriation are
37 provided solely to implement chapter 207, Laws of 2017 (E2SHB 1819)
38 (paperwork requirements).

1 (20) \$25,000 of the general fund—state appropriation for fiscal
2 year 2018 is provided solely for an entity in Yakima county to
3 provide advocacy and support services to children in foster care.

4 (21) \$203,000 of the general fund—state appropriation for fiscal
5 year 2018 is provided solely for the department to conduct biennial
6 inspections and certifications of facilities, both overnight and day
7 shelters, that serve those who are under 18 years of age and are
8 homeless.

9 (22) \$863,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$573,000 of the general fund—federal appropriation are
11 provided solely to implement Engrossed Substitute Senate Bill No.
12 5890 (foster care and adoption). Within the amounts provided in this
13 subsection, \$366,000 of the general fund—state appropriation for
14 fiscal year 2018 and \$174,000 of the general fund—federal
15 appropriation are provided solely for short-term care for licensed
16 foster families. If the bill is not enacted by July 31, 2017, the
17 amounts provided in this subsection shall lapse.

18 (23) The appropriations in this section include sufficient
19 funding for the department to operate emergent placement contracts.
20 The department shall not include the costs to operate emergent
21 placement contracts in the calculations for family foster home
22 maintenance payments.

23 (24) The appropriations in this section include sufficient
24 funding for the implementation of Second Substitute Senate Bill No.
25 6453 (kinship caregiver legal support).

26 (25) The appropriations in this section include sufficient
27 funding for the implementation of Substitute Senate Bill No. 6309
28 (family assessment response).

29 (26) \$1,000,000 of the general fund—state appropriation for
30 fiscal year 2018 is provided solely for domestic violence shelters,
31 training and technical assistance for contracted agencies, and direct
32 services for prevention.

33 **Sec. 203.** 2017 3rd sp.s. c 1 s 203 (uncodified) is amended to
34 read as follows:

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE**
36 **REHABILITATION PROGRAM**

37 General Fund—State Appropriation (FY 2018). ((\$95,885,000))
38 \$90,996,000

1	General Fund—State Appropriation (FY 2019).	((\$97,123,000))
2		<u>\$93,051,000</u>
3	General Fund—Federal Appropriation.	\$3,464,000
4	General Fund—Private/Local Appropriation.	\$1,985,000
5	Washington Auto Theft Prevention Authority Account—	
6	State Appropriation.	\$196,000
7	<u>Pension Funding Stabilization Account—State</u>	
8	<u>Appropriation.</u>	<u>\$8,721,000</u>
9	TOTAL APPROPRIATION.	((\$198,653,000))
10		<u>\$198,413,000</u>

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

13 (1) \$331,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$331,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for deposit in the county
16 criminal justice assistance account for costs to the criminal justice
17 system associated with the implementation of chapter 338, Laws of
18 1997 (juvenile code revisions). The amounts provided in this
19 subsection are intended to provide funding for county adult court
20 costs associated with the implementation of chapter 338, Laws of 1997
21 and shall be distributed in accordance with RCW 82.14.310.

22 (2) \$2,841,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$2,841,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for grants to county juvenile
25 courts for the following juvenile justice programs identified by the
26 Washington state institute for public policy (institute) in its
27 report: "Inventory of Evidence-based, Research-based, and Promising
28 Practices for Prevention and Intervention Services for Children and
29 Juveniles in the Child Welfare, Juvenile Justice, and Mental Health
30 Systems." Additional funding for this purpose is provided through an
31 interagency agreement with the health care authority. County juvenile
32 courts shall apply to the juvenile rehabilitation administration for
33 funding for program-specific participation and the administration
34 shall provide grants to the courts consistent with the per-
35 participant treatment costs identified by the institute.

36 (3) \$1,537,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$1,537,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for expansion of the following
39 juvenile justice treatments and therapies in juvenile rehabilitation

1 administration programs identified by the Washington state institute
2 for public policy in its report: "Inventory of Evidence-based,
3 Research-based, and Promising Practices for Prevention and
4 Intervention Services for Children and Juveniles in the Child
5 Welfare, Juvenile Justice, and Mental Health Systems." The
6 administration may concentrate delivery of these treatments and
7 therapies at a limited number of programs to deliver the treatments
8 in a cost-effective manner.

9 (4)(a) \$6,198,000 of the general fund—state appropriation for
10 fiscal year 2018 and \$6,198,000 of the general fund—state
11 appropriation for fiscal year 2019 are provided solely to implement
12 evidence- and research-based programs through community juvenile
13 accountability grants, administration of the grants, and evaluations
14 of programs funded by the grants. In addition to funding provided in
15 this subsection, funding to implement alcohol and substance abuse
16 treatment programs for locally committed offenders is provided
17 through an interagency agreement with the health care authority.

18 (b) The juvenile rehabilitation administration shall administer a
19 block grant to county juvenile courts for the purpose of serving
20 youth as defined in RCW 13.40.510(4)(a) in the county juvenile
21 justice system. Funds dedicated to the block grant include:
22 Consolidated juvenile service (CJS) funds, community juvenile
23 accountability act (CJAA) grants, chemical dependency/mental health
24 disposition alternative (CDDA), and suspended disposition alternative
25 (SDA). The juvenile rehabilitation administration shall follow the
26 following formula and must prioritize evidence-based programs and
27 disposition alternatives and take into account juvenile courts
28 program-eligible youth in conjunction with the number of youth served
29 in each approved evidence-based program or disposition alternative:
30 (i) Thirty-seven and one-half percent for the at-risk population of
31 youth ten to seventeen years old; (ii) fifteen percent for the
32 assessment of low, moderate, and high-risk youth; (iii) twenty-five
33 percent for evidence-based program participation; (iv) seventeen and
34 one-half percent for minority populations; (v) three percent for the
35 chemical dependency and mental health disposition alternative; and
36 (vi) two percent for the suspended dispositional alternatives.
37 Funding for the special sex offender disposition alternative (SSODA)
38 shall not be included in the block grant, but allocated on the
39 average daily population in juvenile courts. Funding for the
40 evidence-based expansion grants shall be excluded from the block

1 grant formula. Funds may be used for promising practices when
2 approved by the juvenile rehabilitation administration and juvenile
3 courts, through the community juvenile accountability act committee,
4 based on the criteria established in consultation with Washington
5 state institute for public policy and the juvenile courts.

6 (c) If Second Substitute House Bill No. 1280 (referred and
7 diverted youth) is enacted, then the administration must implement a
8 stop-loss policy when allocating funding under (b) of this subsection
9 in the 2017-2019 fiscal biennium. Under the stop-loss policy, funding
10 formula changes may not result in a funding loss for any juvenile
11 court of more than two percent from one year to the next. The
12 committee in (d) of this subsection must establish a minimum base
13 level of funding for juvenile courts with lower numbers of at-risk
14 youth age 10 - 17. The administration must report to the legislature
15 by December 1, 2018, about how funding is used for referred youth and
16 the impact of that use on overall use of funding. If the bill is not
17 enacted by July 31, 2017, this subsection is null and void.

18 (d) The juvenile rehabilitation administration and the juvenile
19 courts shall establish a block grant funding formula oversight
20 committee with equal representation from the juvenile rehabilitation
21 administration and the juvenile courts. The purpose of this committee
22 is to assess the ongoing implementation of the block grant funding
23 formula, utilizing data-driven decision making and the most current
24 available information. The committee will be co-chaired by the
25 juvenile rehabilitation administration and the juvenile courts, who
26 will also have the ability to change members of the committee as
27 needed to achieve its purpose. The committee may make changes to the
28 formula categories in (b) of this subsection if it determines the
29 changes will increase statewide service delivery or effectiveness of
30 evidence-based program or disposition alternative resulting in
31 increased cost/benefit savings to the state, including long-term
32 cost/benefit savings. The committee must also consider these outcomes
33 in determining when evidence-based expansion or special sex offender
34 disposition alternative funds should be included in the block grant
35 or left separate.

36 (e) The juvenile courts and administrative office of the courts
37 must collect and distribute information and provide access to the
38 data systems to the juvenile rehabilitation administration and the
39 Washington state institute for public policy related to program and
40 outcome data. The juvenile rehabilitation administration and the

1 juvenile courts must work collaboratively to develop program outcomes
2 that reinforce the greatest cost/benefit to the state in the
3 implementation of evidence-based practices and disposition
4 alternatives.

5 (5) \$98,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$98,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely to the juvenile block grant
8 funding formula oversight committee described in subsection (4)(d) of
9 this section to contract with research entities to: (a) Assist
10 juvenile justice programs identified as promising practices or
11 research-based in undergoing the research necessary to demonstrate
12 that the program is evidence-based; and (b) establish an annual,
13 county-level evaluation of existing evidence-based juvenile justice
14 programs.

15 (6) \$557,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$557,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for funding of the teamchild
18 project.

19 (7) \$283,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$283,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the juvenile detention
22 alternatives initiative.

23 (8) \$500,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$500,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for a grant program focused on
26 criminal street gang prevention and intervention. The juvenile
27 rehabilitation administration may award grants under this subsection.
28 The juvenile rehabilitation administration shall give priority to
29 applicants who have demonstrated the greatest problems with criminal
30 street gangs. Applicants composed of, at a minimum, one or more local
31 governmental entities and one or more nonprofit, nongovernmental
32 organizations that have a documented history of creating and
33 administering effective criminal street gang prevention and
34 intervention programs may apply for funding under this subsection.
35 Each entity receiving funds must report to the juvenile
36 rehabilitation administration on the number and types of youth
37 served, the services provided, and the impact of those services on
38 the youth and the community.

1 (9) The juvenile rehabilitation institutions may use funding
2 appropriated in this subsection to purchase goods and supplies
3 through hospital group purchasing organizations when it is cost-
4 effective to do so.

5 (10) \$75,000 of the general fund—state appropriation for fiscal
6 year 2018 is provided solely for the department to coordinate the
7 examination of data associated with juvenile gang and firearm
8 offenses. The review of data must include information from the
9 administrative office of the courts, the office of the superintendent
10 of public instruction, the office of financial management—education
11 research data center, the Washington association of sheriffs and
12 police chiefs, the caseload forecast council, and the department of
13 corrections. For the purpose of carrying out the data review, named
14 organizations are authorized to share data to include details of
15 criminal arrest and conviction data. The department shall report to
16 the governor and the appropriate legislative committees by February
17 1, 2018, with any recommendations for public policy that increases
18 public safety.

19 (11) \$75,000 of the general fund—state appropriation for fiscal
20 year 2019 is provided solely for the implementation of Engrossed
21 Second Substitute Senate Bill No. 6160 (exclusive adult
22 jurisdiction). If the bill is not enacted by June 30, 2018, the
23 amount provided in this subsection shall lapse.

24 **Sec. 204.** 2017 3rd sp.s. c 1 s 204 (uncodified) is amended to
25 read as follows:

26 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH**
27 **PROGRAM**

28 (1) COMMUNITY SERVICES/BEHAVIORAL HEALTH ORGANIZATIONS

29 General Fund—State Appropriation (FY 2018).	((\$391,457,000))
30	<u>\$387,762,000</u>
31 (General Fund—State Appropriation (FY 2019).)	(\$409,108,000)
32 General Fund—Federal Appropriation.	((\$1,021,705,000))
33	<u>\$481,439,000</u>
34 General Fund—Private/Local Appropriation.	((\$17,864,000))
35	<u>\$8,932,000</u>
36 Dedicated Marijuana Account—State Appropriation	
37 (FY 2018).	\$3,684,000
38 (Dedicated Marijuana Account—State Appropriation	

1	(FY 2019)	\$3,684,000)
2	<u>Pension Funding Stabilization Account—State</u>	
3	<u>Appropriation</u>	\$39,000
4	TOTAL APPROPRIATION.	((\$1,847,502,000))
5		<u>\$881,856,000</u>

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

8 (a) For the purposes of this subsection, amounts provided for
9 behavioral health organizations shall also be available for the
10 health care authority to contract with entities that assume the
11 responsibilities of behavioral health organizations in regions in
12 which the health care authority is purchasing medical and behavioral
13 health services through fully integrated contracts pursuant to RCW
14 71.24.380.

15 (b) \$6,590,000 of the general fund—state appropriation for fiscal
16 year 2018(~~(, \$6,590,000 of the general fund—state appropriation for~~
17 ~~fiscal year 2019,)) and ((~~\$7,620,000~~)) \$3,810,000 of the general fund
18 —federal appropriation are provided solely for the department and
19 behavioral health organizations to continue to contract for
20 implementation of high-intensity programs for assertive community
21 treatment (PACT) teams. In determining the proportion of medicaid and
22 nonmedicaid funding provided to behavioral health organizations with
23 PACT teams, the department shall consider the differences between
24 behavioral health organizations in the percentages of services and
25 other costs associated with the teams that are not reimbursable under
26 medicaid. The department may allow behavioral health organizations
27 which have nonmedicaid reimbursable costs that are higher than the
28 nonmedicaid allocation they receive under this section to supplement
29 these funds with local dollars or funds received under ~~((g))~~ (f) of
30 this subsection. The department and behavioral health organizations
31 shall maintain consistency with all essential elements of the PACT
32 evidence-based practice model in programs funded under this section.~~

33 (c) From the general fund—state appropriations in this
34 subsection, the department shall assure that behavioral health
35 organizations reimburse the department of social and health services
36 aging and long term support administration for the general fund—state
37 cost of medicaid personal care services that enrolled behavioral
38 health organization consumers use because of their psychiatric
39 disability.

1 (d) (~~(\$3,520,000)~~) \$1,760,000 of the general fund—federal
2 appropriation is provided solely for the department to maintain a
3 pilot project to put peer bridging staff into each behavioral health
4 organization as part of the state psychiatric liaison teams to
5 promote continuity of service as individuals return to their
6 communities. The department must collect data and submit a report to
7 the office of financial management and the appropriate committees of
8 the legislature on the impact of peer staff on state hospital
9 discharges and community placements by December 1, 2017.

10 ~~(e) (~~(\$6,858,000~~ of the general fund—state appropriation for~~
11 ~~fiscal year 2019 and \$4,023,000 of the general fund—federal~~
12 ~~appropriation are provided solely for new crisis triage or~~
13 ~~stabilization centers. The department must seek proposals from~~
14 ~~behavioral health organizations for the use of these funds based on~~
15 ~~regional priorities. Services in these facilities may include crisis~~
16 ~~stabilization and intervention, individual counseling, peer support,~~
17 ~~medication management, education, and referral assistance. The~~
18 ~~department shall monitor each center's effectiveness at lowering the~~
19 ~~rate of state psychiatric hospital admissions.~~

20 ~~(f))~~) \$15,862,000 of the general fund—state appropriation for
21 fiscal year 2018 is provided solely to assist behavioral health
22 organizations with the costs of providing services to medicaid
23 clients receiving services in psychiatric facilities classified as
24 institutions of mental diseases. The department must distribute these
25 amounts proportionate to the number of bed days for medicaid clients
26 in institutions for mental diseases that were excluded from
27 behavioral health organization fiscal year 2018 capitation rates
28 because they exceeded the amounts allowed under federal regulations.
29 The department must also use these amounts to directly pay for costs
30 that are ineligible for medicaid reimbursement in institutions of
31 mental disease facilities for American Indian and Alaska Natives who
32 opt to receive behavioral health services on a fee for service basis.
33 The amounts used for these individuals must be reduced from the
34 allocation of the behavioral health organization where the individual
35 resides. If a behavioral health organization receives more funding
36 through this subsection than is needed to pay for the cost of their
37 medicaid clients in institutions for mental diseases, they must use
38 the remainder of the amounts to provide other services not covered
39 under the medicaid program. The department must apply for a waiver

1 from the center for medicaid and medicare services to allow for the
2 full cost of stays in institutions of mental diseases to be included
3 in fiscal year 2019 behavioral health organization capitation rates.
4 The department must submit a report on the status of the waiver to
5 the office of financial management and the appropriate committees of
6 the legislature by December 1, 2017.

7 ~~((g))~~ (f) \$81,930,000 of the general fund—state appropriation
8 for fiscal year 2018 ~~((and \$81,930,000 of the general fund—state~~
9 ~~appropriation for fiscal year 2019 are))~~ is provided solely for
10 persons and services not covered by the medicaid program. To the
11 extent possible, levels of behavioral health organization spending
12 shall be maintained in the following priority order: Crisis and
13 commitment services; community inpatient services; and residential
14 care services, including personal care and emergency housing
15 assistance. These amounts must be distributed to behavioral health
16 organizations proportionate to the fiscal year 2017 allocation of
17 flexible nonmedicaid funds. The department must include the following
18 language in medicaid contracts with behavioral health organizations
19 unless they are provided formal notification from the center for
20 medicaid and medicare services that the language will result in the
21 loss of federal medicaid participation: "The contractor may
22 voluntarily provide services that are in addition to those covered
23 under the state plan, although the cost of these services cannot be
24 included when determining payment rates unless including these costs
25 are specifically allowed under federal law or an approved waiver."

26 ~~((h))~~ (g) The department is authorized to continue to contract
27 directly, rather than through contracts with behavioral health
28 organizations for children's long-term inpatient facility services.

29 ~~((i))~~ (h) \$1,125,000 of the general fund—state appropriation
30 for fiscal year 2018 ~~((and \$1,125,000 of the general fund—state~~
31 ~~appropriation for fiscal year 2019 are))~~ is provided solely for the
32 Spokane county behavioral health organization to implement services
33 to reduce utilization and the census at eastern state hospital. Such
34 services shall include:

35 (A) High intensity treatment team for persons who are high
36 utilizers of psychiatric inpatient services, including those with co-
37 occurring disorders and other special needs;

1 (B) Crisis outreach and diversion services to stabilize in the
2 community individuals in crisis who are at risk of requiring
3 inpatient care or jail services;

4 (C) Mental health services provided in nursing facilities to
5 individuals with dementia, and consultation to facility staff
6 treating those individuals; and

7 (D) Services at the sixteen-bed evaluation and treatment
8 facility.

9 At least annually, the Spokane county behavioral health
10 organization shall assess the effectiveness of these services in
11 reducing utilization at eastern state hospital, identify services
12 that are not optimally effective, and modify those services to
13 improve their effectiveness.

14 ~~((+j))~~ (i) \$1,204,000 of the general fund—state appropriation
15 for fiscal year 2018 ~~((and \$1,204,000 of the general fund—state~~
16 ~~appropriation for fiscal year 2019 are))~~ is provided solely to
17 reimburse Pierce and Spokane counties for the cost of conducting 180-
18 day commitment hearings at the state psychiatric hospitals.

19 ~~((+k))~~ (j) Behavioral health organizations may use local funds
20 to earn additional federal medicaid match, provided the locally
21 matched rate does not exceed the upper-bound of their federally
22 allowable rate range, and provided that the enhanced funding is used
23 only to provide medicaid state plan or waiver services to medicaid
24 clients. Additionally, behavioral health organizations may use a
25 portion of the state funds allocated in accordance with (g) of this
26 subsection to earn additional medicaid match, but only to the extent
27 that the application of such funds to medicaid services does not
28 diminish the level of crisis and commitment, community inpatient,
29 residential care, and outpatient services presently available to
30 persons not eligible for medicaid.

31 ~~((+l))~~ (k) \$2,291,000 of the general fund—state appropriation
32 for fiscal year 2018 ~~((and \$2,291,000 of the general fund—state~~
33 ~~appropriation for fiscal year 2019 are))~~ is provided solely for
34 mental health services for mentally ill offenders while confined in a
35 county or city jail and for facilitating access to programs that
36 offer mental health services upon release from confinement. The
37 department must collect information from the behavioral health
38 organizations on their plan for using these funds, the numbers of
39 individuals served, and the types of services provided and submit a

1 report to the office of financial management and the appropriate
2 fiscal committees of the legislature by December 1st of each year of
3 the biennium.

4 ~~((+m))~~ (l) Within the amounts appropriated in this section,
5 funding is provided for the department to develop and phase in
6 intensive mental health services for high needs youth consistent with
7 the settlement agreement in *T.R. v. Dreyfus and Porter*.

8 ~~((+n))~~ (m) The department must establish minimum and maximum
9 funding levels for all reserves allowed under behavioral health
10 organization contracts and insert contract language that clearly
11 states the requirements and limitations. The department must monitor
12 and ensure that behavioral health organization reserves do not exceed
13 maximum levels. The department must monitor behavioral health
14 organization revenue and expenditure reports and must require a
15 behavioral health organization to submit a corrective action plan on
16 how it will spend its excess reserves within a reasonable period of
17 time, when its reported reserves exceed maximum levels established
18 under the contract. The department must review and approve such plans
19 and monitor to ensure compliance. If the department determines that a
20 behavioral health organization has failed to provide an adequate
21 excess reserve corrective action plan or is not complying with an
22 approved plan, the department must reduce payments to the behavioral
23 health organization in accordance with remedial actions provisions
24 included in the contract. These reductions in payments must continue
25 until the department determines that the behavioral health
26 organization has come into substantial compliance with an approved
27 excess reserve corrective action plan.

28 ~~((+o))~~ (n) \$2,309,000 of the general fund—state appropriation
29 for fiscal year 2018(~~(, \$3,079,000 of the general fund—state~~
30 ~~appropriation for fiscal year 2019,)) and ~~((\$5,061,000))~~ \$2,169,000
31 of the general fund—federal appropriation are provided solely for the
32 department to increase rates for community hospitals that provide a
33 minimum of 200 medicaid psychiatric inpatient days. The department
34 must increase both medicaid and nonmedicaid psychiatric per-diem
35 reimbursement rates for these providers within these amounts. The
36 amounts in this subsection include funding for additional hold
37 harmless payments resulting from the rate increase. The department
38 shall prioritize increases for hospitals not currently paid based on
39 provider specific costs using a similar methodology used to set rate~~

1 for existing inpatient facilities and the latest available cost
2 report information. Rate increases for providers must be set so as
3 not to exceed the amounts provided within this subsection. The rate
4 increase related to nonmedicaid clients must be done to maintain the
5 provider at the same percentage as currently required under WAC
6 182-550-4800.

7 ~~((p))~~ (o) \$100,000 of the general fund—state appropriation for
8 fiscal year 2018 ~~((and \$100,000 of the general fund state
9 appropriation for fiscal year 2019 are))~~ is provided solely for the
10 department to collaborate with tribal governments and develop a plan
11 for establishing an evaluation and treatment facility that will
12 specialize in providing care specifically to the American Indian and
13 Alaska Native population. The plan must include options for
14 maximizing federal participation ~~((and ensuring))~~, ensure that
15 utilization will be based on medical necessity, and identify a
16 specific geographic location where a tribal evaluation and treatment
17 facility will be built.

18 ~~((q))~~ (p) \$1,466,000 of the general fund—state appropriation
19 for fiscal year 2018~~((, \$7,103,000 of the general fund state
20 appropriation for fiscal year 2019,))~~ and ~~(((\$9,715,000))~~ \$1,663,000
21 of the general fund—federal appropriation are provided solely for the
22 department to contract with community hospitals or freestanding
23 evaluation and treatment centers to provide up to forty-eight long-
24 term inpatient care beds as defined in RCW 71.24.025. The department
25 must seek proposals and contract directly for these services rather
26 than contracting through behavioral health organizations. The
27 department must coordinate with the department of social and health
28 services in developing the contract requirements, selecting
29 contractors, and establishing processes for identifying patients that
30 will be admitted to these facilities. The department must not use any
31 of the amounts provided under this subsection for contracts with
32 facilities that are subject to federal funding restrictions that
33 apply to institutions of mental diseases, unless they have received a
34 waiver that allows for full federal participation in these
35 facilities.

36 ~~((r) \$1,133,000 of the general fund state appropriation for
37 fiscal year 2019 and \$1,297,000 of the general fund federal
38 appropriation are provided solely to increase the number of
39 psychiatric residential treatment beds for individuals transitioning~~

1 from psychiatric inpatient settings. The department must seek
2 proposals from behavioral health organizations for the use of these
3 amounts and coordinate with the department of social and health
4 services in awarding these funds. The department must not allow for
5 any of the amounts provided under this subsection to be used for
6 services in facilities that are subject to federal funding
7 restrictions that apply to institutions of mental diseases, unless
8 they have received a waiver that allows for full federal
9 participation in these facilities.

10 ~~(s))~~ (q) \$4,983,000 of the general fund—state appropriation for
11 fiscal year 2018(~~(, \$6,744,000 of the general fund state~~
12 ~~appropriation for fiscal year 2019,))~~ and (~~(\$25,365,000)~~) \$10,849,000
13 of the general fund—federal appropriation are provided solely for the
14 department to increase medicaid capitation payments for behavioral
15 health organizations. The department must work with the actuaries
16 responsible for certifying behavioral health capitation rates to
17 adjust average salary assumptions in order to implement this
18 increase. In developing further updates for medicaid managed care
19 rates for behavioral health services, the department must include and
20 make available all applicable documents and analysis to legislative
21 staff from the fiscal committees throughout the process. The
22 department must require the actuaries to develop and submit rate
23 ranges for each behavioral health organization prior to certification
24 of specific rates.

25 ~~((t))~~ (r) The number of beds allocated for use by behavioral
26 health organizations at eastern state hospital shall be 192 per day.
27 The number of nonforensic beds allocated for use by behavioral health
28 organizations at western state hospital shall be 557 per day. In
29 fiscal year 2019, the department must reduce the number of beds
30 allocated for use by behavioral health organizations at western state
31 hospital by 30 beds to allow for the repurposing of a civil ward at
32 western state hospital to provide forensic services. The contracted
33 beds provided under ~~((q))~~ (p) of this subsection shall be allocated
34 to the behavioral health organizations in lieu of beds at the state
35 hospitals and be incorporated in their allocation of state hospital
36 patient days of care for the purposes of calculating reimbursements
37 pursuant to RCW 71.24.310. It is the intent of the legislature to
38 continue the policy of expanding community based alternatives for

1 long term civil commitment services that allow for state hospital
2 beds to be prioritized for forensic patients.

3 ~~((+u))~~ (s) \$11,405,000 of the general fund—state appropriation
4 for fiscal year 2018 ~~((, \$11,405,000 of the general fund—state~~
5 ~~appropriation for fiscal year 2019,))~~ and ~~(((\$17,680,000))~~ \$8,840,000
6 of the general fund—federal appropriation are provided solely to
7 maintain enhancements of community mental health services. The
8 department must contract these funds for the operation of community
9 programs in which the department determines there is a need for
10 capacity that allows individuals to be diverted or transitioned from
11 the state hospitals including but not limited to: (i) Community
12 hospital or free standing evaluation and treatment services providing
13 short-term detention and commitment services under the involuntary
14 treatment act to be located in the geographic areas of the King
15 behavioral health organization, the Spokane behavioral health
16 organization outside of Spokane county, and the Thurston Mason
17 behavioral health organization; (ii) one new full program of an
18 assertive community treatment team in the King behavioral health
19 organization and two new half programs of assertive community
20 treatment teams in the Spokane behavioral health organization and the
21 Pierce behavioral health organization; and (iii) three new recovery
22 support services programs in the Great Rivers behavioral health
23 organization, the greater Columbia behavioral health organization,
24 and the north sound behavioral health organization. In contracting
25 for community evaluation and treatment services, the department may
26 not use these resources in facilities that meet the criteria to be
27 classified under federal law as institutions for mental diseases. If
28 the department is unable to come to a contract agreement with a
29 designated behavioral health organization for any of the services
30 identified above, it may consider contracting for that service in
31 another region that has the need for such service.

32 ~~((+v))~~ (t) \$200,000 of the general fund—state appropriation for
33 fiscal year 2018 ~~((and \$1,296,000 of the general fund—state~~
34 ~~appropriation for fiscal year 2019 are))~~ is provided solely for
35 clubhouse programs. ~~((Of this amount, \$400,000 must be used for~~
36 ~~support of the Spokane clubhouse program and the remaining funds must~~
37 ~~be used for support of new clubhouse programs.))~~ The department must
38 develop options and cost estimates for implementation of clubhouse
39 programs statewide through a medicaid state plan amendment or a

1 medicaid waiver and submit a report to the office of financial
2 management and the appropriate committees of the legislature by
3 December 1, 2018.

4 ~~((w))~~ (u) \$212,000 of the general fund—state appropriation for
5 fiscal year 2018 ~~((and \$213,000 of the general fund—state~~
6 ~~appropriation for fiscal year 2019 are))~~ is provided solely to fund
7 one pilot project in Pierce county and one in Yakima county to
8 promote increased utilization of assisted outpatient treatment
9 programs. The department shall require two behavioral health
10 organizations to contract with local government to establish the
11 necessary infrastructure for the programs. The department, in
12 collaboration with the health care authority, shall provide a report
13 by October 15, 2018, to the office of financial management and the
14 appropriate fiscal and policy committees of the legislature to
15 include the number of individuals served, outcomes to include reduced
16 use of inpatient treatment and state hospital stays, and
17 recommendations for further implementation based on lessons learned
18 and best practices identified by the pilot projects.

19 ~~((x))~~ (v) The department, in collaboration with the health care
20 authority, shall work to ensure that a single platform provider
21 credentialing system is implemented. The authority and department
22 shall ensure that appropriate cost offsets and cost avoidance are
23 assumed for reduced staff time required for provider credentialing
24 activity and reductions in improper billing activity when
25 implementing provider credentialing systems.

26 (2) INSTITUTIONAL SERVICES

27	General Fund—State Appropriation (FY 2018).	((\$286,936,000))
28		<u>\$293,886,000</u>
29	General Fund—State Appropriation (FY 2019).	((\$277,823,000))
30		<u>\$235,941,000</u>
31	General Fund—Federal Appropriation.	((\$148,093,000))
32		<u>\$181,903,000</u>
33	General Fund—Private/Local Appropriation.	((\$52,630,000))
34		<u>\$61,282,000</u>
35	<u>Pension Funding Stabilization Account—State</u>	
36	<u>Appropriation.</u>	<u>\$34,746,000</u>
37	TOTAL APPROPRIATION.	((\$765,482,000))
38		<u>\$807,758,000</u>

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

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

6 (b) \$311,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$310,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for a community partnership
9 between western state hospital and the city of Lakewood to support
10 community policing efforts in the Lakewood community surrounding
11 western state hospital. The amounts provided in this subsection
12 (2)(b) are for the salaries, benefits, supplies, and equipment for
13 one full-time investigator, one full-time police officer, and one
14 full-time community service officer at the city of Lakewood. The
15 department must collect data from the city of Lakewood on the use of
16 the funds and the number of calls responded to by the community
17 policing program and submit a report with this information to the
18 office of financial management and the appropriate fiscal committees
19 of the legislature each December of the fiscal biennium.

20 (c) \$45,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$45,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for payment to the city of
23 Lakewood for police services provided by the city at western state
24 hospital and adjacent areas.

25 (d) \$44,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$19,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for payment to the city of
28 Medical Lake for police services provided by the city at eastern
29 state hospital and adjacent areas. The city must develop a proposal
30 and estimated costs for developing a community policing program in
31 the area surrounding eastern state hospital and submit the proposal
32 to the department by September 30, (~~2017~~) 2018. The city must
33 provide current and historical data for police services to eastern
34 state hospital and adjacent areas which justify funding for a
35 community policing program and continued funding for base police
36 services and a community policing program.

37 (e) \$25,053,000 of the general fund—state appropriation for
38 fiscal year 2018 and \$25,847,000 of the general fund—state
39 appropriation for fiscal year 2019 are provided solely for

1 implementation of efforts to improve the timeliness of competency
2 restoration services pursuant to chapter 5, Laws of 2015 (SSB 5889)
3 (timeliness of competency treatment and evaluation services). These
4 amounts must be used to maintain and further increase the number of
5 forensic beds at western state hospital and eastern state hospital.
6 Pursuant to chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177)
7 (timeliness of competency treatment and evaluation services), the
8 department may contract some of these amounts for services at
9 alternative locations if the secretary determines that there is a
10 need.

11 (f) \$3,261,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$3,261,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely to maintain implementation of
14 efforts to improve the timeliness of competency evaluation services
15 for individuals who are in local jails pursuant to chapter 5, Laws of
16 2015 (SSB 5889) (timeliness of competency treatment and evaluation
17 services). This funding must be used solely to maintain increases in
18 the number of staff providing competency evaluation services.

19 (g) \$135,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$135,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the department to hire an
22 on-site safety compliance officer, stationed at Western State
23 Hospital, to provide oversight and accountability of the hospital's
24 response to safety concerns regarding the hospital's work
25 environment.

26 (h) \$20,234,000 of the general fund—state appropriation for
27 fiscal year 2018 and \$20,234,000 of the general fund—state
28 appropriation for fiscal year 2019 are provided solely to meet the
29 requirements of the systems improvement agreement with the centers
30 for medicare and medicaid services as outlined in seven conditions of
31 participation and to maintain federal funding. The department shall
32 specifically account for all spending related to the agreement and
33 reconcile it back to the original funding plan. Changes of more than
34 ten percent in any area of the spending plan must be submitted to the
35 office of financial management for approval. The department must
36 submit a financial analysis to the office of financial management and
37 the appropriate committees of the legislature which compares current
38 staffing levels at eastern and western state hospitals, at the ward
39 level, with the specific staffing levels recommended in the state

1 hospitals' clinical model analysis project report submitted by OTB
2 Solutions in 2016. To the extent that the financial analysis includes
3 any differential in staffing from what was recommended in the report,
4 the department must clearly identify these differences and the
5 associated costs. The department must submit the financial analysis
6 by September 1, 2017.

7 (i) Within these amounts, the department must hire chemical
8 dependency professionals to provide integrated substance use disorder
9 and mental health treatment at the state psychiatric hospitals.

10 (j) \$1,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$2,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for the implementation of Senate
13 Bill No. 5118 (personal needs allowance). If the bill is not enacted
14 by July 31, 2017, the amounts provided in this subsection shall
15 lapse.

16 (k) The department must develop and make progress towards
17 implementing an acuity based staffing model at western state hospital
18 and eastern state hospital that is based on Oregon state hospital's
19 staffing model. The model must take patient mix, staff mix, tasks,
20 and physical plant organization into consideration. In analyzing,
21 developing, and phasing in a state hospital psychiatric staffing
22 model, the department shall:

23 (i) Develop standards for hospital metrics such as staff mix, use
24 of overtime, and use of extra duty pay;

25 (ii) Use the Oregon state hospital staffing model to assess
26 maintenance staffing needs at the state psychiatric hospitals;

27 (iii) Work with the office of financial management's labor
28 relations office and state labor unions to move toward the most
29 appropriate staffing levels and staff mix;

30 (iv) Assess and develop appropriate staffing levels at
31 headquarters to support daily operations at the state psychiatric
32 hospitals, monitor process measures, provide accurate data analysis,
33 and monitor state hospitals budget performance;

34 (v) Use the newly developed staffing model to inform future
35 budget requests for staffing at the state hospitals; and

36 (vi) Develop, track and, report performance measures such as:

37 (A) Hospital treatment results such as: Length of stay, discharge
38 management, active treatment planning, medication administration, and
39 patient and staff aggression;

1 (B) Shared services for consolidated maintenance and operations,
2 consolidated institutional business services, and human resources;
3 and

4 (C) Fiscal management, overtime usage, and recruitment and
5 retention.

6 (1) \$20,000 of the general fund—state appropriation for fiscal
7 year 2019 and \$8,000 of the general fund—federal appropriation are
8 provided solely to implement Substitute Senate Bill No. 6237
9 (personal needs allowance) or Substitute House Bill No. 2651
10 (personal needs allowance). If neither bill is enacted by June 30,
11 2018, the amounts provided in this subsection shall lapse.

12 (m) \$46,601,000 of the general fund—state appropriation for
13 fiscal year 2018 is provided solely for the department to pay fines
14 for failing to meet court ordered timelines for competency
15 restoration and evaluations under *Trueblood v. Department of Social*
16 *and Health Services.*

17 (3) SPECIAL PROJECTS

18	General Fund—State Appropriation (FY 2018).	((\$514,000))
19		\$486,000
20	((General Fund—State Appropriation (FY 2019).	\$508,000))
21	General Fund—Federal Appropriation.	((\$25,852,000))
22		\$3,148,000
23	<u>Pension Funding Stabilization Account—State</u>	
24	<u>Appropriation.</u>	<u>\$28,000</u>
25	TOTAL APPROPRIATION.	((\$26,874,000))
26		\$3,662,000

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

29 (a) \$446,000 of the general fund—state appropriation for fiscal
30 year 2018, \$446,000 of the general fund—state appropriation for
31 fiscal year 2019, and \$178,000 of the general fund—federal
32 appropriation are provided solely for the University of Washington's
33 evidence-based practice institute which supports the identification,
34 evaluation, and implementation of evidence-based or promising
35 practices. The institute must work with the department to develop a
36 plan to seek private, federal, or other grant funding in order to
37 reduce the need for state general funds. The department must collect
38 information from the institute on the use of these funds and submit a

1 report to the office of financial management and the appropriate
2 fiscal committees of the legislature by December 1st of each year of
3 the biennium.

4 (b) No more than \$19,557,000 of the general fund—federal
5 appropriation may be expended for supported housing and employment
6 services described in initiative 3a and 3b of the medicaid
7 transformation demonstration waiver under healthier Washington. Under
8 this initiative, the department and the health care authority shall
9 ensure that allowable and necessary services are provided to eligible
10 clients as identified by the department or its providers or third
11 party administrator. The department and the authority in consultation
12 with the medicaid forecast work group, shall ensure that reasonable
13 reimbursements are established for services deemed necessary within
14 an identified limit per individual. The department shall not increase
15 general fund—state expenditures under this initiative. The secretary
16 in collaboration with the director of the authority shall report to
17 the joint select committee on health care oversight no less than
18 quarterly on financial and health outcomes. The secretary in
19 cooperation with the director shall also report to the fiscal
20 committees of the legislature all of the expenditures of this
21 subsection and shall provide such fiscal data in the time, manner,
22 and form requested by the legislative fiscal committees.

23 (4) PROGRAM SUPPORT

24	General Fund—State Appropriation (FY 2018).	((\$10,175,000))
25		<u>\$9,265,000</u>
26	General Fund—State Appropriation (FY 2019).	((\$9,543,000))
27		<u>\$2,979,000</u>
28	General Fund—Federal Appropriation.	((\$12,046,000))
29		<u>\$8,310,000</u>
30	General Fund—Private/Local Appropriation.	((\$502,000))
31		<u>\$251,000</u>
32	<u>Pension Funding Stabilization Account—State</u>	
33	<u>Appropriation.</u>	<u>\$526,000</u>
34	TOTAL APPROPRIATION.	((\$32,266,000))
35		<u>\$21,331,000</u>

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

38 (a) The department must complete an update of the state quality
39 strategy required under federal managed care regulations and submit

1 to the center for medicaid and medicare services by October 1, 2017.
2 The department must provide a report to the office of financial
3 management and the appropriate committees of the legislature by
4 December 1, 2017, which includes the following: (i) A copy of the
5 quality strategy submitted to the center for medicaid and medicare
6 services; (ii) identification of all performance measures that are
7 currently being measured for behavioral health organizations, and
8 managed care organizations and the variations in performance among
9 these entities; (iii) identification of any performance measures that
10 are included in behavioral health organization and managed care
11 organization 2018 contracts and whether these measures are connected
12 to payment; and (iv) identification of any performance measures
13 planned for incorporation of behavioral health organization and
14 managed care organization 2019 contracts and whether these measures
15 will be connected to payment during that contract period.

16 (b) \$62,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$41,000 of the general fund—federal appropriation are
18 provided solely for the implementation of chapter 207, Laws of 2017
19 (E2SHB 1819) (children's mental health).

20 (c) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
21 the department is authorized to adopt license and certification fees
22 in fiscal year(~~s~~) 2018 (~~and 2019~~) to support the costs of the
23 regulatory program. The department's fee schedule shall have
24 differential rates for providers with proof of accreditation from
25 organizations that the department has determined to have
26 substantially equivalent standards to those of the department,
27 including but not limited to the joint commission on accreditation of
28 health care organizations, the commission on accreditation of
29 rehabilitation facilities, and the council on accreditation. To
30 reflect the reduced costs associated with regulation of accredited
31 programs, the department's fees for organizations with such proof of
32 accreditation must reflect the lower costs of licensing for these
33 programs than for other organizations which are not accredited.

34 **Sec. 205.** 2017 3rd sp.s. c 1 s 205 (uncodified) is amended to
35 read as follows:

36 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL**
37 **DISABILITIES PROGRAM**

38 (1) COMMUNITY SERVICES

1	General Fund—State Appropriation (FY 2018).	((\$612,748,000))
2		<u>\$601,501,000</u>
3	General Fund—State Appropriation (FY 2019).	((\$662,252,000))
4		<u>\$662,312,000</u>
5	General Fund—Federal Appropriation.	((\$1,301,629,000))
6		<u>\$1,299,540,000</u>
7	General Fund—Private/Local Appropriation.	\$534,000
8	<u>Pension Funding Stabilization Account—State</u>	
9	<u>Appropriation.</u>	<u>\$6,872,000</u>
10	TOTAL APPROPRIATION.	((\$2,577,163,000))
11		<u>\$2,570,759,000</u>

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

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

18 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
19 43.135.055, the department is authorized to increase nursing
20 facility, assisted living facility, and adult family home fees as
21 necessary to fully support the actual costs of conducting the
22 licensure, inspection, and regulatory programs. The license fees may
23 not exceed the department's annual licensing and oversight activity
24 costs and shall include the department's cost of paying providers for
25 the amount of the license fee attributed to medicaid clients.

26 (i) The current annual renewal license fee for adult family homes
27 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed
28 beginning in fiscal year 2019. A processing fee of \$2,750 shall be
29 charged to each adult family home when the home is initially
30 licensed. This fee is nonrefundable. A processing fee of \$700 shall
31 be charged when adult family home providers file a change of
32 ownership application.

33 (ii) The current annual renewal license fee for assisted living
34 facilities shall be \$106 per bed beginning in fiscal year 2018 and
35 \$106 per bed beginning in fiscal year 2019.

36 (iii) The current annual renewal license fee for nursing
37 facilities shall be \$359 per bed beginning in fiscal year 2018 and
38 \$359 per bed beginning in fiscal year 2019.

1 (c) \$7,142,000 of the general fund—state appropriation for fiscal
2 year 2018, \$18,249,000 of the general fund—state appropriation for
3 fiscal year 2019, and \$27,336,000 of the general fund—federal
4 appropriation are provided solely for the implementation of the
5 agreement reached between the governor and the service employees
6 international union healthcare 775nw under the provisions of chapters
7 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
8 contingent upon the enactment of Senate Bill No. 5969 (transparency
9 in public employee collective bargaining). If the bill is not enacted
10 by July 31, 2017, the appropriation in this subsection shall lapse.

11 (d) \$787,000 of the general fund—state appropriation for fiscal
12 year 2018, \$2,183,000 of the general fund—state appropriation for
13 fiscal year 2019, and \$3,714,000 of the general fund—federal
14 appropriation are provided solely for the homecare agency parity
15 impacts of the agreement between the governor and the service
16 employees international union healthcare 775nw. Funding is contingent
17 upon the enactment of Senate Bill No. 5969 (transparency in public
18 employee collective bargaining). If the bill is not enacted by July
19 31, 2017, the appropriation in this subsection shall lapse.

20 (e) The department may authorize a one-time waiver of all or any
21 portion of the licensing and processing fees required under RCW
22 70.128.060 in any case in which the department determines that an
23 adult family home is being relicensed because of exceptional
24 circumstances, such as death or incapacity of a provider, and that to
25 require the full payment of the licensing and processing fees would
26 present a hardship to the applicant. In these situations the
27 department is also granted the authority to waive the required
28 residential administrator training for a period of 120 days if
29 necessary to ensure continuity of care during the relicensing
30 process.

31 (f) Community residential cost reports that are submitted by or
32 on behalf of contracted agency providers are required to include
33 information about agency staffing including health insurance, wages,
34 number of positions, and turnover.

35 (g) \$650,000 of the general fund—state appropriation for fiscal
36 year 2018, \$650,000 of the general fund—state appropriation for
37 fiscal year 2019, and \$800,000 of the general fund—federal
38 appropriation are provided solely for the development and
39 implementation of eight enhanced respite beds across the state for

1 children. These services are intended to provide families and
2 caregivers with a break in caregiving, the opportunity for behavioral
3 stabilization of the child, and the ability to partner with the state
4 in the development of an individualized service plan that allows the
5 child to remain in his or her family home. The department must
6 provide the legislature with a respite utilization report in January
7 of each year that provides information about the number of children
8 who have used enhanced respite in the preceding year, as well as the
9 location and number of days per month that each respite bed was
10 occupied.

11 (h) \$900,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$900,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the development and
14 implementation of eight community respite beds across the state for
15 adults. These services are intended to provide families and
16 caregivers with a break in caregiving and the opportunity for
17 stabilization of the individual in a community-based setting as an
18 alternative to using a residential habilitation center to provide
19 planned or emergent respite. The department must provide the
20 legislature with a respite utilization report by January of each year
21 that provides information about the number of individuals who have
22 used community respite in the preceding year, as well as the location
23 and number of days per month that each respite bed was occupied.

24 (i) \$100,000 of the general fund—state appropriation for fiscal
25 year 2018, \$95,000 of the general fund—state appropriation for fiscal
26 year 2019, and \$195,000 of the general fund—federal appropriation are
27 provided solely for discharge case managers stationed at the state
28 psychiatric hospitals. Discharge case managers will transition
29 clients ready for hospital discharge into less restrictive
30 alternative community placements. The transition of clients ready for
31 discharge will free up bed capacity at the state psychiatric
32 hospitals.

33 (j) \$1,239,000 of the general fund—state appropriation for fiscal
34 year 2018, \$2,055,000 of the general fund—state appropriation for
35 fiscal year 2019, and \$3,218,000 of the general fund—federal
36 appropriation are provided solely to create new community alternative
37 placement beds that prioritize the transition of clients who are
38 ready for discharge from the state psychiatric hospitals, but who
39 have additional long-term care or developmental disability needs.

1 (i) Community alternative placement beds include enhanced service
2 facility beds, adult family home beds, skilled nursing facility beds,
3 shared supportive housing beds, state operated living alternative
4 beds, and assisted living facility beds.

5 (ii) Each client must receive an individualized assessment prior
6 to leaving one of the state psychiatric hospitals. The individualized
7 assessment must identify and authorize personal care, nursing care,
8 behavioral health stabilization, physical therapy, or other necessary
9 services to meet the unique needs of each client. It is the
10 expectation that, in most cases, staffing ratios in all community
11 alternative placement options described in (j)(i) of this subsection
12 will need to increase to meet the needs of clients leaving the state
13 psychiatric hospitals. If specialized training is necessary to meet
14 the needs of a client before he or she enters a community placement,
15 then the person centered service plan must also identify and
16 authorize this training.

17 (iii) When reviewing placement options, the department must
18 consider the safety of other residents, as well as the safety of
19 staff, in a facility. An initial evaluation of each placement,
20 including any documented safety concerns, must occur within thirty
21 days of a client leaving one of the state psychiatric hospitals and
22 entering one of the community placement options described in (j)(i)
23 of this subsection. At a minimum, the department must perform two
24 additional evaluations of each placement during the first year that a
25 client has lived in the facility.

26 (iv) During fiscal year 2018, in a presentation to the select
27 committee on quality improvement in state hospitals, the department
28 must describe the process of fielding and subsequently investigating
29 complaints of abuse, neglect, and exploitation within the community
30 alternative placement options described in (j)(i) of this subsection.
31 At a minimum, the presentation must include data about the number of
32 complaints, and the nature of complaints, over the preceding five
33 fiscal years.

34 (v) During fiscal year 2019, in a presentation to the select
35 committee on quality improvement in state hospitals, the department
36 must provide an update about clients placed out of the state
37 psychiatric hospitals into the community alternative placement
38 options described in (j)(i) of this subsection. At a minimum, for
39 each setting, the presentation must include data about the number of
40 placements, average daily rate, complaints fielded, and complaints

1 investigated. The presentation must also include information about
2 modifications, including the placement of clients into alternate
3 settings, that occurred due to the evaluations required under
4 (j)(iii) of this subsection.

5 In developing bed capacity, the department shall consider the
6 complex needs of individuals waiting for discharge from the state
7 psychiatric hospitals.

8 (k) \$738,000 of the general fund—state appropriation for fiscal
9 year 2018, \$1,963,000 of the general fund—state appropriation for
10 fiscal year 2019, and \$2,701,000 of the general fund—federal
11 appropriation are provided solely for expanding the number of clients
12 receiving services under the basic plus medicaid waiver.
13 Approximately six hundred additional clients are anticipated to
14 graduate from high school during the 2017-2019 fiscal biennium and
15 will receive employment services under this expansion.

16 (l) \$14,127,000 of the general fund—state appropriation for
17 fiscal year 2018, \$25,428,000 of the general fund—state appropriation
18 for fiscal year 2019, and \$39,554,000 of the general fund—federal
19 appropriation are provided solely to increase the benchmark rate for
20 community residential service providers offering supported living,
21 group home, and licensed staff residential services to individuals
22 with development disabilities. The amounts in this subsection (1)(l)
23 include funding to increase the benchmark rate by the following
24 amounts:

- 25 (i) \$1.25 per hour effective July 1, 2017, and;
- 26 (ii) An additional \$1.00 per hour effective July 1, 2018.

27 The amounts provided in this subsection must be used to improve
28 the recruitment and retention of quality direct care staff to better
29 protect the health and safety of clients with developmental
30 disabilities.

31 (m) Respite personal care provided by individual providers to
32 developmental disabilities administration clients, as authorized by
33 the department and accessed by clients through a medicaid waiver,
34 must be funded in maintenance level of the operating budget on the
35 basis of actual and forecasted client utilization.

36 (n) \$4,000 of the general fund—state appropriation for fiscal
37 year 2018, \$11,000 of the general fund—state appropriation for fiscal
38 year 2019, and \$13,000 of the general fund—federal appropriation are

1 provided solely to implement chapter 270, Laws of 2017 (SB 5118)
2 (personal needs allowance).

3 (o) \$1,716,000 of the general fund—state appropriation for fiscal
4 year 2018, \$3,493,000 of the general fund—state appropriation for
5 fiscal year 2019, and \$4,267,000 of the general fund—federal
6 appropriation are provided solely for a targeted vendor rate increase
7 to contracted client service providers.

8 (i) Within the amounts provided in this subsection, \$1,674,000 of
9 the general fund—state appropriation for fiscal year 2018, \$3,424,000
10 of the general fund—state appropriation for fiscal year 2019, and
11 \$4,126,000 of the general fund—federal appropriation are provided
12 solely for a vendor rate increase of two percent in fiscal year 2018
13 and an additional two percent in fiscal year 2019 for all contracted
14 vendors with the exception of nursing home providers, the program of
15 all-inclusive care for the elderly, nurse delegators, community
16 residential service providers, individual providers, agency
17 providers, and adult family homes.

18 (ii) Within the amounts provided in this subsection, \$42,000 of
19 the general fund—state appropriation for fiscal year 2018, \$69,000 of
20 the general fund—state appropriation for fiscal year 2019, and
21 \$141,000 of the general fund—federal appropriation are provided
22 solely to increase vendor rates for adult residential care and
23 enhanced adult residential care in the 2017-2019 fiscal biennium up
24 to the statewide minimum wage established in Initiative Measure No.
25 1433.

26 (p) \$51,000 of the general fund—state appropriation for fiscal
27 year 2018, \$51,000 of the general fund—state appropriation for fiscal
28 year 2019, and \$102,000 of the general fund—federal appropriation are
29 provided solely to increase the daily rate for private duty nursing
30 in adult family homes by \$63.77.

31 (q) \$371,000 of the general fund—state appropriation for fiscal
32 year 2018, \$445,000 of the general fund—state appropriation for
33 fiscal year 2019, and \$1,069,000 of the general fund—federal
34 appropriation are provided solely for increasing the hourly rate for
35 nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

36 (r) \$212,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$269,000 of the general fund—federal appropriation are
38 provided solely to implement Senate Bill No. . . . (S-2907.2). If the

1 bill is not enacted by July 31, 2017, the amounts provided in this
2 subsection shall lapse.

3 (s) \$2,199,000 of the general fund—state appropriation for fiscal
4 year 2018, \$2,878,000 of the general fund—state appropriation for
5 fiscal year 2019, and \$6,388,000 of the general fund—federal
6 appropriation are provided solely for the implementation of an
7 agreement reached between the governor and the adult family home
8 council under the provisions of chapter 41.56 RCW for the 2017-2019
9 fiscal biennium. Funding is contingent upon the enactment of Senate
10 Bill No. 5969 (transparency in public employee collective
11 bargaining). If the bill is not enacted by July 31, 2017, the amounts
12 provided in this subsection shall lapse.

13 (t) \$290,000 of the general fund—state appropriation for fiscal
14 year 2019 is provided solely for the enhancement of existing parent-
15 to-parent programs that serve parents of children with a
16 developmental disability and the establishment of new programs in
17 Okanogan county and Whitman county.

18 (u) \$50,000 of the general fund—state appropriation for fiscal
19 year 2019 and \$50,000 of the general fund—federal appropriation are
20 provided solely to implement Substitute Senate Bill No. 6237
21 (personal needs allowance) or Substitute House Bill No. 2651
22 (personal needs allowance). If neither bill is enacted by June 30,
23 2018, the amounts provided in this subsection shall lapse.

24 (2) INSTITUTIONAL SERVICES

25	General Fund—State Appropriation (FY 2018).	((\$104,159,000))
26		<u>\$97,713,000</u>
27	General Fund—State Appropriation (FY 2019).	((\$106,818,000))
28		<u>\$100,912,000</u>
29	General Fund—Federal Appropriation.	((\$195,757,000))
30		<u>\$195,829,000</u>
31	General Fund—Private/Local Appropriation.	\$25,041,000
32	<u>Pension Funding Stabilization Account—State</u>	
33	<u>Appropriation.</u>	<u>\$12,441,000</u>
34	TOTAL APPROPRIATION.	((\$431,775,000))
35		<u>\$431,936,000</u>

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

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

5 (b) \$495,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$495,000 of the general fund—state appropriation for
7 fiscal year 2019 are for the department to fulfill its contracts with
8 the school districts under chapter 28A.190 RCW to provide
9 transportation, building space, and other support services as are
10 reasonably necessary to support the educational programs of students
11 living in residential habilitation centers.

12 (c) \$2,978,000 of the general fund—state appropriation for fiscal
13 year 2018, \$2,978,000 of the general fund—state appropriation for
14 fiscal year 2019, and \$5,956,000 of the general fund—federal
15 appropriation are for additional staff to ensure compliance with
16 centers for medicare and medicaid services requirements for
17 habilitation, nursing care, staff safety, and client safety at the
18 residential habilitation centers.

19 (d) The residential habilitation centers may use funds
20 appropriated in this subsection to purchase goods (~~and~~),
21 supplies,
22 and services through hospital group purchasing organizations when it
is cost-effective to do so.

23 (e) \$2,000 of the general fund—state appropriation for fiscal
24 year 2018, \$5,000 of the general fund—state appropriation for fiscal
25 year 2019, and \$5,000 of the general fund—federal appropriation are
26 provided solely to implement chapter 270, Laws of 2017 (SB 5118)
27 (personal needs allowance).

28 (f) Within existing appropriations, the department of social and
29 health services must gather information that will support long-term
30 planning about the residential habilitation centers during the 2019
31 legislative session.

32 (i) The department of social and health services must contract
33 with the William D. Ruckelshaus center or other neutral party to
34 facilitate meetings and discussions about the future of the
35 residential habilitation centers. The options explored in the
36 meetings and discussions must include, but are not limited to,
37 conversion of cottages from certification as an intermediate care
38 facility to certification as a nursing facility, developing a state-
39 operated nursing facility for eligible clients, and placement of

1 additional clients from the residential habilitation centers into
2 state operated living alternatives. An agreed-upon preferred vision
3 must be included within a report to the office of financial
4 management and the appropriate fiscal and policy committees of the
5 legislature before December 1, 2018. The report must describe the
6 policy rationale, implementation plan, timeline, and recommended
7 statutory changes for the preferred vision. The parties invited to
8 participate in the meetings and discussion must include:

9 (A) One member from each of the two largest caucuses in the
10 senate, who shall be appointed by the majority leader and minority
11 leader of the senate;

12 (B) One member from each of the two largest caucuses in the house
13 of representatives, who shall be appointed by the speaker and
14 minority leader of the house of representatives;

15 (C) One member from the office of the governor, appointed by the
16 governor;

17 (D) One member from the developmental disabilities council;

18 (E) One member from the ARC of Washington;

19 (F) One member from the Washington federation of state employees;

20 (G) One member from the service employees international union
21 1199;

22 (H) One member from the developmental disabilities administration
23 within the department of social and health services; and

24 (I) One member from the aging and long term support
25 administration within the department of social and health services;

26 (ii) Before November 1, 2018, the department of social and health
27 services must provide a report to the office of financial management
28 and the appropriate fiscal and policy committees of the legislature
29 that includes the following information:

30 (A) The number of clients living in the residential habilitation
31 centers from fiscal year 2013 through fiscal year 2018. The
32 information must be provided by month for each cottage on each
33 campus.

34 (B) The average age of clients living in the residential
35 habilitation centers from fiscal year 2013 through fiscal year 2018.
36 The information must be provided by month for each cottage on each
37 campus.

38 (C) The number of staff, segmented by the type of position, at
39 the residential habilitation centers from fiscal year 2013 through
40 fiscal year 2018. The information must be provided by month for each

1 cottage on each campus. Any staff that are not directly associated
2 with a cottage must be provided separately for each campus.

3 (D) Ratios of staff to clients at the residential habilitation
4 centers from fiscal year 2013 through fiscal year 2018. The ratios
5 must include, but are not limited to, the number of direct care staff
6 per client and the number of indirect care staff per client. The
7 ratio of direct care staff per client must be provided by month for
8 each cottage on each campus. The ratio of indirect care staff per
9 client must be provided by month for each campus.

10 (E) The number of individuals with a developmental disability
11 residing long term at the state psychiatric hospitals from fiscal
12 year 2013 through fiscal year 2018. The information must be provided
13 by month for each of the state psychiatric hospitals.

14 (F) The average age of individuals with a developmental
15 disability residing long term at the state psychiatric hospitals from
16 fiscal year 2013 through fiscal year 2018. The information must be
17 provided by month for each of the state psychiatric hospitals.

18 (G) All nursing facilities and assisted living facilities that
19 have closed from fiscal year 2016 through fiscal year 2018. The
20 report must display location, closure date, and total bed capacity
21 for each facility.

22 (H) The number of clients living in intermediate care facility
23 cottages at the residential habilitation centers who meet the
24 functional criteria for nursing facility care.

25 (I) The process for transitioning a cottage, or multiple
26 cottages, at a residential habilitation center from certification as
27 an intermediate care facility to a nursing facility. The section of
28 the report must include, but is not limited to, a description of the
29 role for the department of health, department of social and health
30 services, and the centers for medicare and medicaid services.

31 (J) The estimated capital investment needed to transition a
32 cottage, or multiple cottages, at a residential habilitation center
33 from certification as an intermediate care facility to a nursing
34 facility.

35 (K) The estimated timeline needed to transition a cottage, or
36 multiple cottages, at a residential habilitation center from
37 certification as an intermediate care facility to a nursing facility.

38 (L) Options for the alternate use of buildings, vacant or
39 occupied, at Fircrest school, Rainier school, Yakima Valley school,
40 or Lakeland Village. The suggestions must include, but are not

1 limited to, expanding capacity for nursing care, dental care, and
2 other specialty services for individuals with developmental or
3 intellectual disabilities.

4 (M) Options for the location of a comprehensive community health
5 center that would provide medical services, dental services, and
6 adaptive technology services. Care provided at the center would be
7 provided to individuals with a developmental or intellectual
8 disability who are living in community-based settings, as well as
9 clients living in the residential habilitation centers.

10 (N) Options for transferring the ownership of charitable,
11 educational, penal, and reform institutions land on the Fircrest
12 campus from the department of natural resources to the department of
13 social and health services. The options must include, but are not
14 limited to:

15 (I) Purchase of the charitable, educational, penal, and reform
16 institutions land on the Fircrest campus. This option must include
17 the most recent appraisal of the value of charitable, educational,
18 penal, and reform institutions land on the Fircrest campus.

19 (II) A land swap of equal value between the charitable,
20 educational, penal, and reform institutions land on the Fircrest
21 campus and other state-owned property.

22 (III) A combination of the options outlined within (h)(ii)(N)(I)
23 and (II) of this subsection.

24 (O) Options for the additional use of state operated living
25 alternative placements to assist clients with the transition from an
26 institutional setting to a community setting. The report must
27 identify the number of clients who could transition into state
28 operated living alternative placements, and the length of time
29 necessary to transition clients into the additional placements.

30 (P) Options for establishing additional crisis stabilization
31 services at the residential habilitation centers. The report must
32 identify the operating costs, capital costs, timeline, and desired
33 location associated with the additional capacity.

34 (Q) Options for transferring individuals who have been residing
35 long term at the state psychiatric hospitals into an alternate
36 location, or multiple locations. One of the options must explore the
37 possibility of transferring these individuals to the residential
38 habilitation centers. For any option that is explored, the report
39 must identify the operating costs, capital costs, timeline, and
40 desired location associated with the additional capacity.

1 (R) The expenditures for overtime, prescription drugs, controlled
 2 substances, medical supplies, janitorial supplies, household
 3 supplies, maintenance supplies, and office supplies at the
 4 residential habilitation centers from fiscal year 2013 through fiscal
 5 year 2018. The information must be provided by month for each campus.
 6 The department must also provide the strategy, or strategies, that
 7 are being implemented to decrease expenditures for overtime,
 8 prescription drugs, controlled substances, medical supplies,
 9 janitorial supplies, household supplies, maintenance supplies, and
 10 office supplies at the residential habilitation centers.

11 (3) PROGRAM SUPPORT

12	General Fund—State Appropriation (FY 2018).	((\$2,469,000))
13		<u>\$2,351,000</u>
14	General Fund—State Appropriation (FY 2019).	((\$2,531,000))
15		<u>\$2,417,000</u>
16	General Fund—Federal Appropriation.	((\$2,946,000))
17		<u>\$2,986,000</u>
18	<u>Pension Funding Stabilization Account—State</u>	
19	<u>Appropriation.</u>	<u>\$270,000</u>
20	TOTAL APPROPRIATION.	((\$7,946,000))
21		<u>\$8,024,000</u>

22 (4) SPECIAL PROJECTS

23	General Fund—State Appropriation (FY 2018).	((\$64,000))
24		<u>\$55,000</u>
25	General Fund—State Appropriation (FY 2019).	((\$64,000))
26		<u>\$62,000</u>
27	General Fund—Federal Appropriation.	\$1,092,000
28	<u>Pension Funding Stabilization Account—State</u>	
29	<u>Appropriation.</u>	<u>\$11,000</u>
30	TOTAL APPROPRIATION.	\$1,220,000

31 **Sec. 206.** 2017 3rd sp.s. c 1 s 206 (uncodified) is amended to
 32 read as follows:

33 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT**
 34 **SERVICES PROGRAM**

35	General Fund—State Appropriation (FY 2018).	((\$1,099,017,000))
36		<u>\$1,076,707,000</u>
37	General Fund—State Appropriation (FY 2019).	((\$1,196,263,000))

1		<u>\$1,207,487,000</u>
2	General Fund—Federal Appropriation.	((\$2,839,653,000))
3		<u>\$2,840,945,000</u>
4	General Fund—Private/Local Appropriation.	\$33,572,000
5	Traumatic Brain Injury Account—State Appropriation.	\$4,540,000
6	Skilled Nursing Facility Safety Net Trust Account—	
7	State Appropriation.	\$133,360,000
8	<u>Pension Funding Stabilization Account—State</u>	
9	<u> Appropriation.</u>	<u>\$13,165,000</u>
10	TOTAL APPROPRIATION.	((\$5,306,405,000))
11		<u>\$5,309,776,000</u>

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

14 (1)(a) For purposes of implementing chapter 74.46 RCW, the
15 weighted average nursing facility payment rate shall not exceed
16 ((~~\$201.39~~)) \$200.47 for fiscal year 2018 and shall not exceed
17 ((~~\$209.35~~)) \$216.64 for fiscal year 2019.

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

23 (2) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
24 43.135.055, the department is authorized to increase nursing
25 facility, assisted living facility, and adult family home fees as
26 necessary to fully support the actual costs of conducting the
27 licensure, inspection, and regulatory programs. The license fees may
28 not exceed the department's annual licensing and oversight activity
29 costs and shall include the department's cost of paying providers for
30 the amount of the license fee attributed to medicaid clients.

31 (a) The current annual renewal license fee for adult family homes
32 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed
33 beginning in fiscal year 2019. A processing fee of \$2,750 shall be
34 charged to each adult family home when the home is initially
35 licensed. This fee is nonrefundable. A processing fee of \$700 shall
36 be charged when adult family home providers file a change of
37 ownership application.

1 (b) The current annual renewal license fee for assisted living
2 facilities shall be \$106 per bed beginning in fiscal year 2018 and
3 \$106 per bed beginning in fiscal year 2019.

4 (c) The current annual renewal license fee for nursing facilities
5 shall be \$359 per bed beginning in fiscal year 2018 and \$359 per bed
6 beginning in fiscal year 2019.

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

11 (4) \$1,858,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$1,857,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for operation of the volunteer
14 services program. Funding shall be prioritized towards serving
15 populations traditionally served by long-term care services to
16 include senior citizens and persons with disabilities.

17 (5) \$14,674,000 of the general fund—state appropriation for
18 fiscal year 2018, \$37,239,000 of the general fund—state appropriation
19 for fiscal year 2019, and \$55,716,000 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 under the provisions of chapters
23 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
24 contingent upon the enactment of Senate Bill No. 5969 (transparency
25 in public employee collective bargaining). If the bill is not enacted
26 by July 31, 2017, the appropriation in this subsection shall lapse.

27 (6) \$4,833,000 of the general fund—state appropriation for fiscal
28 year 2018, \$13,413,000 of the general fund—state appropriation for
29 fiscal year 2019, and \$22,812,000 of the general fund—federal
30 appropriation are provided solely for the homecare agency parity
31 impacts of the agreement between the governor and the service
32 employees international union healthcare 775nw. Funding is contingent
33 upon the enactment of Senate Bill No. 5969 (transparency in public
34 employee collective bargaining). If the bill is not enacted by July
35 31, 2017, the appropriation in this subsection shall lapse.

36 (7) \$5,094,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$5,094,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for services and support to
39 individuals who are deaf, hard of hearing, or deaf-blind.

1 (8) The department may authorize a one-time waiver of all or any
2 portion of the licensing and processing fees required under RCW
3 70.128.060 in any case in which the department determines that an
4 adult family home is being relicensed because of exceptional
5 circumstances, such as death or incapacity of a provider, and that to
6 require the full payment of the licensing and processing fees would
7 present a hardship to the applicant. In these situations the
8 department is also granted the authority to waive the required
9 residential administrator training for a period of 120 days if
10 necessary to ensure continuity of care during the relicensing
11 process.

12 (9) In accordance with RCW 18.390.030, the biennial registration
13 fee for continuing care retirement communities shall be \$1,889 for
14 each facility.

15 (10) \$234,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$234,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for the kinship navigator
18 program in the Colville Indian reservation, Yakama Nation, and other
19 tribal areas.

20 (11) \$42,000 of the general fund—state appropriation for fiscal
21 year 2018, \$127,000 of the general fund—state appropriation for
22 fiscal year 2019, and \$169,000 of the general fund—federal
23 appropriation are provided solely to implement chapter 270, Laws of
24 2017 (SB 5118) (personal needs allowance).

25 (12) Within available funds, the aging and long term support
26 administration must maintain a unit within adult protective services
27 that specializes in the investigation of financial abuse allegations
28 and self-neglect allegations.

29 (13) Within amounts appropriated in this subsection, the
30 department shall assist the legislature to continue the work of the
31 joint legislative executive committee on planning for aging and
32 disability issues.

33 (a) A joint legislative executive committee on aging and
34 disability is continued, with members as provided in this subsection.

35 (i) Four members of the senate, with the leaders of the two
36 largest caucuses each appointing two members, and four members of the
37 house of representatives, with the leaders of the two largest
38 caucuses each appointing two members;

1 (ii) A member from the office of the governor, appointed by the
2 governor;

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

5 (iv) The director of the health care authority or his or her
6 designee;

7 (v) A member from disability rights Washington and a member from
8 the office of long-term care ombuds;

9 (vi) The insurance commissioner or his or her designee, who shall
10 serve as an ex officio member; and

11 (vii) Other agency directors or designees as necessary.

12 (b) The committee must make recommendations and continue to
13 identify key strategic actions to prepare for the aging of the
14 population in Washington, including state budget and policy options,
15 by conducting at least, but not limited to, the following tasks:

16 (i) Identify strategies to better serve the health care needs of
17 an aging population and people with disabilities to promote healthy
18 living and palliative care planning;

19 (ii) Identify strategies and policy options to create financing
20 mechanisms for long-term service and supports that allow individuals
21 and families to meet their needs for service;

22 (iii) Identify policies to promote financial security in
23 retirement, support people who wish to stay in the workplace longer,
24 and expand the availability of workplace retirement savings plans;

25 (iv) Identify ways to promote advance planning and advance care
26 directives and implementation strategies for the Bree collaborative
27 palliative care and related guidelines;

28 (v) Identify ways to meet the needs of the aging demographic
29 impacted by reduced federal support;

30 (vi) Identify ways to protect the rights of vulnerable adults
31 through assisted decision-making and guardianship and other relevant
32 vulnerable adult protections;

33 (vii) Identify options for promoting client safety through
34 residential care services and consider methods of protecting older
35 people and people with disabilities from physical abuse and financial
36 exploitation;

37 (viii) Identify other policy options and recommendations to help
38 communities adapt to the aging demographic in planning for housing,
39 land use, and transportation; and

1 (ix) Identify ways to support individuals with developmental
2 disabilities with long-term care needs who are enrolled members of a
3 federally recognized Indian tribe, or residing in the household of an
4 enrolled members of a federally recognized Indian tribe, and are
5 receiving care from a family member.

6 (c) At least one committee meeting must be devoted to the
7 exploration of legislation that would allow family members to provide
8 personal care services to persons with developmental disabilities or
9 long-term care needs under a voluntary consumer-directed medicaid
10 service program. During the meeting, the committee should hear
11 testimony from as many impacted parties as possible, including
12 clients, providers, advocacy groups, and staff from state agencies.
13 Testimony should explore program design, program oversight, necessary
14 statutory changes, barriers to implementation, fiscal estimates, and
15 timeline for implementation.

16 (d) Staff support for the committee shall be provided by the
17 office of program research, senate committee services, the office of
18 financial management, and the department of social and health
19 services.

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

29 (14)(a) The department of social and health services must
30 facilitate a stakeholder work group consisting of assisted living
31 provider associations and the state long-term care ombuds in a
32 collaborative effort to redesign the medicaid payment methodology for
33 contracted assisted living, adult residential care, and enhanced
34 adult residential care. The department must submit a report with the
35 final work group recommendations to the appropriate legislative
36 committees by November 30, 2017. A proposed timeline for
37 implementation of the new methodology must be included in the report.
38 The new methodology must:

1 (i) Adhere to the standards of an acuity-based payment system as
2 originally intended by the legislature, and the department will rely
3 on the time study conducted in 2003 in establishing the acuity scale;

4 (ii) Create a standardized methodology that supports a reasonable
5 medicaid payment that promotes access, choice, and quality;

6 (iii) Incorporate metrics such as medians, lids, floors, and
7 other options that provide flexibility to adjust to economic
8 conditions while maintaining the integrity of the methodology;

9 (iv) Be supported by relevant, reliable, verifiable, and
10 independent data to the extent possible; and

11 (v) To the extent possible, repurpose and streamline data sources
12 and modeling that the aging and long-term support administration uses
13 for other rate-setting processes.

14 (b) In developing payment metrics for medicaid-covered services,
15 staff and service requirements must be reviewed for assisted living,
16 adult residential care, and enhanced adult residential care as
17 described in chapters 74.39A and 18.20 RCW. At a minimum, the
18 proposed rate methodology must include a component that recognizes
19 staffing for intermittent nursing and personal care services. Service
20 area adjustments based on population density must be reviewed and
21 compared with other options to recognize high-cost areas. The most
22 recent and complete wage data available through the bureau of labor
23 statistics must also be included for review and consideration. The
24 methodology work group must consider operational requirements and
25 indirect services in developing the model. The work group must
26 include a rate component that recognizes statutory and regulatory
27 physical plant requirements. The work group must review and consider
28 physical plant requirements for assisted living as described in
29 chapter 51.50 RCW. A fair rental valuation must be reviewed and
30 considered as an option for the capital component. The recognition of
31 food for medicaid residents must also be included in the work group
32 considerations. The department's current methodology to address room
33 and board requirements, and the appropriateness of the continued use
34 of the 2003 time study and whether it can be reasonably adjusted or
35 whether a new time study should be conducted, must be reviewed and
36 considered by the work group.

37 (15) Within amounts appropriated in this section, the department
38 must pay medicaid nursing facility payment rates for public hospital
39 district providers in rural communities as defined under chapter
40 70.44 RCW that are no less than June 30, 2016, reimbursement levels.

1 This action is intended to assure continued access to essential
2 services in rural communities.

3 (16) \$5,370,000 of the general fund—state appropriation for
4 fiscal year 2018, \$10,199,000 of the general fund—state appropriation
5 for fiscal year 2019, and \$18,346,000 of the general fund—federal
6 appropriation are provided solely for a targeted vendor rate increase
7 to contracted client service providers.

8 (a) Within the amounts provided in this subsection, \$2,763,000 of
9 the general fund—state appropriation for fiscal year 2018, \$5,741,000
10 of the general fund—state appropriation for fiscal year 2019, and
11 \$9,775,000 of the general fund—federal appropriation are provided
12 solely for a vendor rate increase of two percent in fiscal year 2018
13 and an additional two percent in fiscal year 2019 for all contracted
14 vendors with the exception of nursing home providers, the program of
15 all-inclusive care for the elderly, nurse delegators, community
16 residential service providers, individual providers, agency
17 providers, and adult family homes.

18 (b) Within the amounts provided in this subsection, \$2,607,000 of
19 the general fund—state appropriation for fiscal year 2018, \$4,458,000
20 of the general fund—state appropriation for fiscal year 2019, and
21 \$8,571,000 of the general fund—federal appropriation are provided
22 solely to increase vendor rates for nursing homes, assisted living
23 facilities including adult residential care and enhanced adult
24 residential care, adult day health and adult day care providers, and
25 home care agency administration in the 2017-2019 fiscal biennium up
26 to the statewide minimum wage established in Initiative Measure No.
27 1433.

28 (17) \$4,815,000 of the general fund—state appropriation for
29 fiscal year 2018, \$8,527,000 of the general fund—state appropriation
30 for fiscal year 2019, and \$12,277,000 of the general fund—federal
31 appropriation are provided solely to create new community alternative
32 placement beds that prioritize the transition of clients who are
33 ready for discharge from the state psychiatric hospitals, but who
34 have additional long-term care or developmental disability needs.

35 (a) Community alternative placement beds include enhanced service
36 facility beds, adult family home beds, skilled nursing facility beds,
37 shared supportive housing beds, state operated living alternative
38 beds, and assisted living facility beds.

1 (b) Each client must receive an individualized assessment prior
2 to leaving one of the state psychiatric hospitals. The individualized
3 assessment must identify and authorize personal care, nursing care,
4 behavioral health stabilization, physical therapy, or other necessary
5 services to meet the unique needs of each client. It is the
6 expectation that, in most cases, staffing ratios in all community
7 alternative placement options described in (a) of this subsection
8 will need to increase to meet the needs of clients leaving the state
9 psychiatric hospitals. If specialized training is necessary to meet
10 the needs of a client before he or she enters a community placement,
11 then the person centered service plan must also identify and
12 authorize this training.

13 (c) When reviewing placement options, the department must
14 consider the safety of other residents, as well as the safety of
15 staff, in a facility. An initial evaluation of each placement,
16 including any documented safety concerns, must occur within thirty
17 days of a client leaving one of the state psychiatric hospitals and
18 entering one of the community placement options described in (a) of
19 this subsection. At a minimum, the department must perform two
20 additional evaluations of each placement during the first year that a
21 client has lived in the facility.

22 (d) During fiscal year 2018, in a presentation to the select
23 committee on quality improvement in state hospitals, the department
24 must describe the process of fielding and subsequently investigating
25 complaints of abuse, neglect, and exploitation within the community
26 alternative placement options described in (a) of this subsection. At
27 a minimum, the presentation must include data about the number of
28 complaints, and the nature of complaints, over the preceding five
29 fiscal years.

30 (e) During fiscal year 2019, in a presentation to the select
31 committee on quality improvement in state hospitals, the department
32 must provide an update about clients placed out of the state
33 psychiatric hospitals into the community alternative placement
34 options described in (a) of this subsection. At a minimum, for each
35 setting, the presentation must include data about the number of
36 placements, average daily rate, complaints fielded, and complaints
37 investigated. The presentation must also include information about
38 modifications, including the placement of clients into alternate
39 settings, that occurred due to the evaluations required under (c) of
40 this subsection.

1 In developing bed capacity, the department shall consider the
2 complex needs of individuals waiting for discharge from the state
3 psychiatric hospitals.

4 (18) \$315,000 of the general fund—state appropriation for fiscal
5 year 2018, \$315,000 of the general fund—state appropriation for
6 fiscal year 2019, and \$630,000 of the general fund—federal
7 appropriation are provided solely for discharge case managers
8 stationed at the state psychiatric hospitals. Discharge case managers
9 will transition clients ready for hospital discharge into less
10 restrictive alternative community placements. The transition of
11 clients ready for discharge will free up bed capacity at the state
12 psychiatric hospitals.

13 (19) \$135,000 of the general fund—state appropriation for fiscal
14 year 2018, \$135,000 of the general fund—state appropriation for
15 fiscal year 2019, and \$270,000 of the general fund—federal
16 appropriation are provided solely for financial service specialists
17 stationed at the state psychiatric hospitals. Financial service
18 specialists will help to transition clients ready for hospital
19 discharge into alternative community placements. The transition of
20 clients ready for discharge will free up bed capacity at the state
21 hospitals.

22 (20) \$5,007,000 of the general fund—state appropriation for
23 fiscal year 2018, \$5,143,000 of the general fund—state appropriation
24 for fiscal year 2019, and \$10,154,000 of the general fund—federal
25 appropriation are provided solely to implement chapter 286, Laws of
26 2017 (SB 5715) (nursing home payments).

27 (21) \$750,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$750,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely to implement chapter 287, Laws
30 of 2017 (SB 5736) (nutrition programs).

31 (22) \$183,000 of the general fund—state appropriation for fiscal
32 year 2018, \$92,000 of the general fund—state appropriation for fiscal
33 year 2019, and \$2,479,000 of the general fund—federal appropriation
34 are provided solely to finish the programming necessary to give the
35 department the ability to pay individual provider overtime when hours
36 over 40 hours per week are authorized for payment and are subject to
37 the conditions, limitations, and review provided in section 724 of
38 this act.

1 (23) \$229,000 of the general fund—state appropriation for fiscal
2 year 2018, \$229,000 of the general fund—state appropriation for
3 fiscal year 2019, and \$458,000 of the general fund—federal
4 appropriation are provided solely to increase the daily rate for
5 private duty nursing in adult family homes by \$63.77.

6 (24) \$246,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$313,000 of the general fund—federal appropriation are
8 provided solely to implement Senate Bill No. . . . (S-2907.2). If the
9 bill is not enacted by July 31, 2017, the amounts provided in this
10 subsection shall lapse.

11 (25)(a) No more than \$41,388,000 of the general fund—federal
12 appropriation may be expended for tailored support for older adults
13 and medicaid alternative care described in initiative 2 of the
14 medicaid transformation demonstration waiver under healthier
15 Washington. The department shall not increase general fund—state
16 expenditures on this initiative. The secretary in collaboration with
17 the director of the health care authority shall report to the joint
18 select committee on health care oversight no less than quarterly on
19 financial and health outcomes. The secretary in cooperation with the
20 director shall also report to the fiscal committees of the
21 legislature all of the expenditures of this subsection and shall
22 provide such fiscal data in the time, manner, and form requested by
23 the legislative fiscal committees.

24 (b) No more than \$2,200,000 of the general fund—federal
25 appropriation may be expended for supported housing and employment
26 services described in initiative 3a and 3b of the medicaid
27 transformation demonstration waiver under healthier Washington. Under
28 this initiative, the department and the health care authority shall
29 ensure that allowable and necessary services are provided to eligible
30 clients as identified by the department or its providers third party
31 administrator. The department and the authority in consultation with
32 the medicaid forecast work group shall ensure that reasonable
33 reimbursements are established for services deemed necessary within
34 an identified limit per individual. The department shall not increase
35 general fund—state expenditures under this initiative. The secretary
36 in cooperation with the director shall report to the joint select
37 committee on health care oversight no less than quarterly on
38 financial and health outcomes. The secretary in cooperation with the
39 director shall also report to the fiscal committees of the

1 legislature all of the expenditures of this subsection and shall
2 provide such fiscal data in the time, manner, and form requested by
3 the legislative fiscal committees.

4 (26) \$351,000 of the general fund—state appropriation for fiscal
5 year 2018, \$421,000 of the general fund—state appropriation for
6 fiscal year 2019, and \$1,012,000 of the general fund—federal
7 appropriation are provided solely for increasing the hourly rate for
8 nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

9 (27) \$10,017,000 of the general fund—state appropriation for
10 fiscal year 2018, \$13,111,000 of the general fund—state appropriation
11 for fiscal year 2019, and \$29,104,000 of the general fund—federal
12 appropriation are provided solely for the implementation of an
13 agreement reached between the governor and the adult family home
14 council under the provisions of chapter 41.56 RCW for the 2017-2019
15 fiscal biennium. Funding is contingent upon the enactment of Senate
16 Bill No. 5969 (transparency in public employee collective
17 bargaining). If the bill is not enacted by July 31, 2017, the amounts
18 provided in this subsection shall lapse.

19 (28) \$560,000 of the general fund—state appropriation for fiscal
20 year 2019 and \$560,000 of the general fund—federal appropriation are
21 provided solely to implement Substitute Senate Bill No. 6237
22 (personal needs allowance) or Substitute House Bill No. 2651
23 (personal needs allowance). If neither bill is enacted by June 30,
24 2018, the amounts provided in this subsection shall lapse.

25 (29) \$2,000,000 of the general fund—state appropriation for
26 fiscal year 2019 is provided solely to expand nutrition services for
27 older adults through the home-delivered meals program.

28 (30) \$92,000 of the general fund—state appropriation for fiscal
29 year 2019 is provided solely for a pilot program to test the benefit
30 of providing personal care services to physically or cognitively
31 impaired persons in homeless shelters.

32 **Sec. 207.** 2017 3rd sp.s. c 1 s 207 (uncodified) is amended to
33 read as follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES**
35 **PROGRAM**

36 General Fund—State Appropriation (FY 2018). (~~(\$396,063,000)~~)
37 \$356,142,000
38 General Fund—State Appropriation (FY 2019). (~~(\$415,638,000)~~)

1		<u>\$359,367,000</u>
2	General Fund—Federal Appropriation.	((\$1,421,095,000))
3		<u>\$1,430,980,000</u>
4	General Fund—Private/Local Appropriation.	\$5,144,000
5	Administrative Contingency Account—State	
6	Appropriation.	\$5,400,000
7	Pension Funding Stabilization Account—State	
8	Appropriation.	<u>\$29,264,000</u>
9	TOTAL APPROPRIATION.	((\$2,243,340,000))
10		<u>\$2,186,297,000</u>

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

13 (1)(a) ((~~\$155,022,000~~)) \$121,625,000 of the general fund—state
14 appropriation for fiscal year 2018, ((~~\$160,136,000~~)) \$111,065,000 of
15 the general fund—state appropriation for fiscal year 2019,
16 \$836,761,000 of the general fund—federal appropriation, ((and))
17 \$5,400,000 of the administrative contingency account—state
18 appropriation, and \$8,155,000 of the pension funding stabilization
19 account—state appropriation are provided solely for all components of
20 the WorkFirst program. Within the amounts provided for the WorkFirst
21 program, the department may provide assistance using state-only funds
22 for families eligible for temporary assistance for needy families.
23 The department must create a WorkFirst budget structure that allows
24 for transparent tracking of budget units and subunits of expenditures
25 where these units and subunits are mutually exclusive from other
26 department budget units. The budget structure must include budget
27 units for the following: Cash assistance, child care, WorkFirst
28 activities, and administration of the program. Within these budget
29 units, the department must develop program index codes for specific
30 activities and develop allotments and track expenditures using these
31 codes. The department shall report to the office of financial
32 management and the relevant fiscal and policy committees of the
33 legislature prior to adopting a structure change.

34 (b) ((~~\$267,057,000~~)) \$251,387,000 of the amounts in (a) of this
35 subsection are provided solely for assistance to clients, including
36 grants, diversion cash assistance, and additional diversion emergency
37 assistance including but not limited to assistance authorized under
38 RCW 74.08A.210. The department may use state funds to provide support
39 to working families that are eligible for temporary assistance for

1 needy families but otherwise not receiving cash assistance. Within
2 amounts provided in (b) of this subsection, \$1,622,000 of the general
3 fund—state appropriation for fiscal year 2019 is provided solely for
4 implementation of Engrossed Substitute Senate Bill No. 5890 (foster
5 care and adoption). If the bill is not enacted by July 31, 2017, the
6 amount provided in this subsection shall lapse.

7 (c) (~~(\$168,005,000)~~) \$150,169,000 of the amounts in (a) of this
8 subsection are provided solely for WorkFirst job search, education
9 and training activities, barrier removal services, limited English
10 proficiency services, and tribal assistance under RCW 74.08A.040. The
11 department must allocate this funding based on client outcomes and
12 cost effectiveness measures. Amounts provided in (c) of this
13 subsection include funding for implementation of chapter 156, Laws of
14 2017 (2SSB 5347) (WorkFirst "work activity"). Within amounts provided
15 in (c) of this subsection, the department shall implement the working
16 family support program. The department shall adopt rules to take
17 effect July 31, 2017, to limit the working family support program at
18 10,000 households.

19 (i) (~~(\$1,700,000)~~) \$1,350,000 of the funds appropriated in (c) of
20 this subsection are provided solely for enhanced transportation
21 assistance provided that the department prioritize the use of these
22 funds for the recipients most in need of financial assistance to
23 facilitate their return to work. The department must not utilize
24 these funds to supplant repayment arrangements that are currently in
25 place to facilitate the reinstatement of drivers' licenses.

26 (ii) Prior to renewal of intergovernmental TANF agreements with a
27 tribe, the department shall request information on the total
28 expenditures and total number of clients served in the tribal TANF
29 program. When the per-client costs in the tribal TANF program have
30 increased since the initial agreement, the department may negotiate a
31 lower state maintenance of effort level based on the increased
32 resources provided by the tribe since the original agreement. The
33 department shall report to the office of financial management and the
34 fiscal committees of the legislature the revised amount of the state
35 maintenance of effort level within two weeks of each newly signed
36 intergovernmental TANF agreement.

37 (d)(i) (~~(\$501,608,000)~~) \$477,004,000 of the amounts in (a) of
38 this subsection are provided solely for the working connections child
39 care program under RCW 43.215.135. In order to not exceed the
40 appropriated amount, the department shall manage the program so that

1 the average monthly caseload does not exceed 33,000 households and
2 the department shall give prioritized access into the program
3 according to the following order:

4 (A) Families applying for or receiving temporary assistance for
5 needy families (TANF);

6 (B) TANF families curing sanction;

7 (C) Foster children;

8 (D) Families that include a child with special needs;

9 (E) Families in which a parent of a child in care is a minor who
10 is not living with a parent or guardian and who is a full-time
11 student in a high school that has a school-sponsored on-site child
12 care center;

13 (F) Families with a child residing with a biological parent or
14 guardian who have received child protective services, child welfare
15 services, or a family assessment response from the department in the
16 past six months, and has received a referral for child care as part
17 of the family's case management.

18 (G) Families that received subsidies within the last thirty days
19 and:

20 (I) Have reapplied for subsidies; and

21 (II) Have household income of two hundred percent federal poverty
22 level or below; and

23 (H) All other eligible families.

24 (ii) The department, within existing appropriations, must ensure
25 quality control measures for the working connections child care
26 program by maximizing the use of information technology systems and
27 the development or modification of the application and standard
28 operating procedures to ensure that cases are:

29 (A) Appropriately and accurately processed; and

30 (B) Routinely monitored for eligibility in a manner that is
31 similar to processes and systems currently in place for regular
32 monitoring in other public assistance programs. Eligibility criteria
33 routinely monitored must include, at a minimum:

34 (I) Participation in work or other approved activities;

35 (II) Household composition; and

36 (III) Maximum number of subsidized child care hours authorized.

37 The department must submit a preliminary report by December 1, 2017,
38 and a final report by December 1, 2018, to the governor and the
39 appropriate fiscal and policy committees of the legislature detailing
40 the specific actions taken to implement this subsection.

1 (iii) Of the amounts provided in (d) of this subsection,
2 \$4,620,000 of the appropriation for fiscal year 2018 and \$4,792,000
3 of the appropriation for fiscal year 2019 are provided for a base
4 rate increase, a rate increase for Family Friend and Neighbor
5 providers, covering an increase for health insurance premiums, and
6 increasing paid professional development days from three days to five
7 days. This funding is for the 2017-2019 collective bargaining
8 agreement covering family child care providers as set forth in
9 section 940 of this act.

10 (iv) Of the amounts provided in (d) of this subsection,
11 \$8,547,000 of the general fund—state appropriation for fiscal year
12 2018 and \$10,438,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for subsidy base rate increases
14 for child care center providers.

15 (e) \$34,248,000 of the general fund—federal appropriation is
16 provided solely for child welfare services within the department of
17 children, youth, and families.

18 (f) (~~(\$170,442,000)~~) \$170,198,000 of the amounts in (1)(a) of
19 this section are provided solely for WorkFirst and working
20 connections child care administration and overhead. \$127,000 of the
21 funds appropriated in this subsection for fiscal year 2019 are
22 provided solely for implementation of chapter 9, Laws of 2017 3rd sp.
23 sess. (working connections child care).

24 (g) The amounts in subsections (1)(b) through (e) of this section
25 shall be expended for the programs and in the amounts specified.
26 However, the department may transfer up to 10 percent of funding
27 between subsections (1)(b) through (f) of this section. The
28 department shall provide notification prior to any transfer to the
29 office of financial management and to the appropriate legislative
30 committees and the legislative-executive WorkFirst oversight task
31 force. The approval of the director of financial management is
32 required prior to any transfer under this subsection.

33 (h) Each calendar quarter, the department shall provide a
34 maintenance of effort and participation rate tracking report for
35 temporary assistance for needy families to the office of financial
36 management, the appropriate policy and fiscal committees of the
37 legislature, and the legislative-executive WorkFirst oversight task
38 force. The report must detail the following information for temporary
39 assistance for needy families:

1 (i) An overview of federal rules related to maintenance of
2 effort, excess maintenance of effort, participation rates for
3 temporary assistance for needy families, and the child care
4 development fund as it pertains to maintenance of effort and
5 participation rates;

6 (ii) Countable maintenance of effort and excess maintenance of
7 effort, by source, provided for the previous federal fiscal year;

8 (iii) Countable maintenance of effort and excess maintenance of
9 effort, by source, for the current fiscal year, including changes in
10 countable maintenance of effort from the previous year;

11 (iv) The status of reportable federal participation rate
12 requirements, including any impact of excess maintenance of effort on
13 participation targets;

14 (v) Potential new sources of maintenance of effort and progress
15 to obtain additional maintenance of effort; and

16 (vi) A two-year projection for meeting federal block grant and
17 contingency fund maintenance of effort, participation targets, and
18 future reportable federal participation rate requirements.

19 (i) In the 2017-2019 fiscal biennium, it is the intent of the
20 legislature to provide appropriations from the state general fund for
21 the purposes of (b) through (f) of this subsection if the department
22 does not receive additional federal temporary assistance for needy
23 families contingency funds in each fiscal year as assumed in the
24 budget outlook.

25 (2) \$1,657,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$1,657,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for naturalization services.

28 (3) \$2,366,000 of the general fund—state appropriation for fiscal
29 year 2018 is provided solely for employment services for refugees and
30 immigrants, of which \$1,774,000 is provided solely for the department
31 to pass through to statewide refugee and immigrant assistance
32 organizations for limited English proficiency pathway services; and
33 \$2,366,000 of the general fund—state appropriation for fiscal year
34 2019 is provided solely for employment services for refugees and
35 immigrants, of which \$1,774,000 is provided solely for the department
36 to pass through to statewide refugee and immigrant assistance
37 organizations for limited English proficiency pathway services.

38 (4) On (~~December~~) January 1, 2017, and annually thereafter, the
39 department must report to the governor and the legislature on all

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

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

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

17 (7) \$433,000 of the general fund—state appropriation for fiscal
18 year 2018, \$451,000 of the general fund—state appropriation for
19 fiscal year 2019, and \$6,451,000 of the general fund—federal
20 appropriation are provided solely for ESAR Architectural Development
21 and are subject to the conditions, limitations, and review provided
22 in section 724 of this act.

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

29 (9) \$750,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$750,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for operational support of the
32 Washington information network 211 organization.

33 (10) \$90,000 of the general fund—state appropriation for fiscal
34 year 2018, \$8,000 of the general fund—state appropriation for fiscal
35 year 2019, and \$36,000 of the general fund—federal appropriation are
36 provided solely for implementation of chapter 270, Laws of 2017 (SB
37 5118) (personal needs allowance).

38 ~~(11) ((\$127,000 of the general fund—state appropriation for~~
39 ~~fiscal year 2019 is provided solely for implementation of Substitute~~

1 ~~House Bill No. 1624 (working connections child care). If the bill is~~
2 ~~not enacted by July 31, 2017, the amount provided in this subsection~~
3 ~~shall lapse.))~~ \$121,000 of the general fund—state appropriation for
4 fiscal year 2019 is provided solely for implementation of Substitute
5 Senate Bill No. 5683 (Pacific Islander health care). If the bill is
6 not enacted by June 30, 2018, the amount provided in this subsection
7 shall lapse.

8 (12) \$58,000 of the general fund—state appropriation for fiscal
9 year 2019 is provided solely to implement Substitute Senate Bill No.
10 6237 (personal needs allowance) or Substitute House Bill No. 2651
11 (personal needs allowance). If neither bill is enacted by June 30,
12 2018, the amount provided in this subsection shall lapse.

13 (13) \$22,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$22,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for a legislative-executive
16 WorkFirst poverty reduction oversight task force during the 2017-2019
17 fiscal biennium.

18 (a) The primary goals of the task force are to:

19 (i) Reduce the overall percentage of people living below two
20 hundred percent of the federal poverty level by fifty percent by the
21 year 2025. The task force must work toward this goal in a manner that
22 seeks to eliminate disparities including, but not limited to,
23 disparities by race, ethnicity, sex, gender, zip code, immigration
24 status, age, household type, and disability status; and

25 (ii) Prevent and address adverse childhood experiences and the
26 trauma of children who are living in poverty through the provision of
27 effective services.

28 (b) The task force shall include diverse, statewide
29 representation and its membership shall reflect regional, racial, and
30 cultural diversity to adequately represent the needs of all children
31 and families in the state. The task force shall consist of the
32 following members:

33 (i) Two members from each of the two largest caucuses of the
34 senate;

35 (ii) Two members from each of the two largest caucuses of the
36 house of representatives;

37 (iii) One governor appointed representative from each of the
38 following agencies: (A) The department of social and health services;
39 (B) the department of early learning; (C) the department of commerce;

1 (D) the employment security department; (E) the office of the
2 superintendent of public instruction; (F) the department of
3 corrections; and (G) the state board for community and technical
4 colleges;

5 (iv) One governor appointed representative from each of the
6 following agencies to serve in an advisory capacity to the task
7 force: The department of health, the health care authority, and the
8 workforce training and education coordinating board; and

9 (v) One or more representatives of tribal governments.

10 (vi) The cochairs of the intergenerational poverty advisory
11 committee created in this subsection shall serve as voting members of
12 the task force.

13 (c) The task force shall choose cochairs, one from among the
14 legislative members and one from among the executive branch members.
15 The legislative members shall convene the initial meeting of the task
16 force.

17 (d) The task force shall:

18 (i) Oversee the partner agencies' operation of the WorkFirst
19 program and operation of the temporary assistance for needy families
20 program to ensure that the programs are achieving desired outcomes
21 for their clients;

22 (ii) Determine evidence-based outcome measures for the WorkFirst
23 program, including measures related to equitably serving the needs of
24 historically underrepresented populations, such as English language
25 learners, immigrants, refugees, and other diverse communities;

26 (iii) Develop accountability measures for WorkFirst recipients
27 and the state agencies responsible for their progress toward self-
28 sufficiency;

29 (iv) Review existing statutes, administrative codes, and budget
30 appropriations for their impact on advancing the goal of fifty
31 percent poverty reduction by 2025;

32 (v) Seek input on best practices from service providers,
33 community-based organizations, legislators, state agencies,
34 stakeholders, the business community, and subject matter experts;

35 (vi) Collaborate with partner agencies to share and analyze data
36 and information collected from other sources regarding
37 intergenerational poverty in the state, with a primary focus on data
38 and information regarding children who are at risk of continuing the
39 cycle of poverty and welfare dependency unless outside intervention
40 is made;

1 (vii) Make recommendations to the governor and the legislature
2 regarding:

3 (A) Policies to improve the effectiveness of the WorkFirst
4 program over time;

5 (B) Early identification of those recipients most likely to
6 experience long stays on the program and strategies to improve their
7 ability to achieve progress toward self-sufficiency; and

8 (C) Necessary changes to the program, including taking into
9 account federal changes to the temporary assistance for needy
10 families program;

11 (viii) Direct the department of social and health services to
12 develop a five-year and ten-year plan to address intergenerational
13 poverty, subject to oversight and approval by the task force. Upon
14 approval by the task force, the department must submit these plans to
15 the governor and the appropriate committees of the legislature by
16 December 1, 2018; and

17 (ix) No later than December 1, 2018, provide a report to the
18 governor and the appropriate committees of the legislature on the
19 progress being made towards the goals identified in this section.

20 (e) Staff support for the task force must be provided by senate
21 committee services, the house of representatives office of program
22 research, and the state agency members of the task force.

23 (f) The task force shall meet on a quarterly basis, or as
24 determined necessary by the task force cochair.

25 (g) Legislative members of the task force are reimbursed for
26 travel expenses in accordance with RCW 44.04.120. Nonlegislative
27 members are not entitled to be reimbursed for travel expenses if they
28 are elected officials or are participating on behalf of an employer,
29 governmental entity, or other organization. Any reimbursement for
30 other nonlegislative members is subject to chapter 43.03 RCW.

31 (h) The expenses of the task force must be paid jointly by the
32 senate and the house of representatives. Task force expenditures are
33 subject to approval by the senate facilities and operations committee
34 and the house of representatives executive rules committee, or their
35 successor committees.

36 (i) During its tenure, the state agency members of the task force
37 shall respond in a timely manner to data requests from the cochair.

38 **Sec. 208.** 2017 3rd sp.s. c 1 s 208 (uncodified) is amended to
39 read as follows:

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

3	General Fund—State Appropriation (FY 2018).	((\$78,842,000))
4		<u>\$84,681,000</u>
5	((General Fund—State Appropriation (FY 2019).	\$71,308,000))
6	General Fund—Federal Appropriation.	((\$575,249,000))
7		<u>\$301,240,000</u>
8	General Fund—Private/Local Appropriation.	((\$20,211,000))
9		<u>\$10,101,000</u>
10	Criminal Justice Treatment Account—State	
11	Appropriation.	((\$12,978,000))
12		<u>\$6,488,000</u>
13	Problem Gambling Account—State Appropriation.	((\$1,453,000))
14		<u>\$725,000</u>
15	Dedicated Marijuana Account—State Appropriation	
16	(FY 2018).	\$24,802,000
17	((Dedicated Marijuana Account—State Appropriation	
18	 (FY 2019).	\$24,802,000))
19	<u>Pension Funding Stabilization Account—State</u>	
20	<u> Appropriation.</u>	<u>\$264,000</u>
21	TOTAL APPROPRIATION.	((\$809,645,000))
22		<u>\$428,301,000</u>

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

25 (1) \$3,278,000 of the dedicated marijuana account—state
 26 appropriation for fiscal year 2018 (~~and \$3,278,000 of the dedicated~~
 27 ~~marijuana account—state appropriation for fiscal year 2019~~) are
 28 provided solely for a memorandum of understanding with the department
 29 of social and health services juvenile rehabilitation administration
 30 to provide substance abuse treatment programs for juvenile offenders.
 31 Of the amounts provided in this subsection:

32 (a) \$1,130,000 of the dedicated marijuana account—state
 33 appropriation for fiscal year 2018 (~~and \$1,130,000 of the dedicated~~
 34 ~~marijuana account—state appropriation for fiscal year 2019~~ are) is
 35 provided solely for alcohol and substance abuse treatment programs
 36 for locally committed offenders. The juvenile rehabilitation
 37 administration shall award these funds as described in section 203(4)
 38 of this act.

1 (b) \$282,000 of the dedicated marijuana account—state
2 appropriation for fiscal year (~~((2017 and \$282,000 of the dedicated~~
3 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) 2018
4 is provided solely for the expansion of evidence-based treatments and
5 therapies as described in section 203(2) of this act.

6 (2) During the 2017-19 fiscal biennium, any amounts provided in
7 this section that are used for case management services for pregnant
8 and parenting women must be contracted directly between the
9 department and providers rather than through contracts with
10 behavioral health organizations.

11 (3) Within the amounts appropriated in this section, the
12 department may contract with the University of Washington and
13 community-based providers for the provision of the parent-child
14 assistance program or other specialized chemical dependency case
15 management providers for pregnant, post-partum, and parenting women.
16 For all contractors: (i) Service and other outcome data must be
17 provided to the department by request; and (ii) indirect charges for
18 administering the program shall not exceed ten percent of the total
19 contract amount.

20 (~~((4) \$3,500,000))~~) \$1,750,000 of the general fund—federal
21 appropriation (from the substance abuse prevention and treatment
22 federal block grant) is provided solely for the continued funding of
23 existing county drug and alcohol use prevention programs.

24 (5) \$200,000 of the dedicated marijuana account—state
25 appropriation for fiscal year 2018 (~~((and \$200,000 of the dedicated~~
26 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is
27 provided solely for a contract with the Washington state institute
28 for public policy to conduct cost-benefit evaluations of the
29 implementation of chapter 3, Laws of 2013 (Initiative Measure No.
30 502).

31 (6) \$500,000 of the dedicated marijuana account—state
32 appropriation for fiscal year 2018 (~~((and \$500,000 of the dedicated~~
33 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is
34 provided solely to design and administer the Washington state healthy
35 youth survey and the Washington state young adult behavioral health
36 survey.

37 (7) \$396,000 of the dedicated marijuana account—state
38 appropriation for fiscal year 2018 (~~((and \$396,000 of the dedicated~~
39 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is

1 provided solely for maintaining increased services to pregnant and
2 parenting women provided through the parent child assistance program.

3 (8) \$250,000 of the dedicated marijuana account—state
4 appropriation for fiscal year 2018 (~~((and \$250,000 of the dedicated~~
5 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is
6 provided solely for a grant to the office of superintendent of public
7 instruction to provide life skills training to children and youth in
8 schools that are in high needs communities.

9 (9) \$386,000 of the dedicated marijuana account—state
10 appropriation for fiscal year 2018 (~~((and \$386,000 of the dedicated~~
11 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is
12 provided solely to maintain increased prevention and treatment
13 services provided by tribes to children and youth.

14 (10) \$2,684,000 of the dedicated marijuana account—state
15 appropriation for fiscal year 2018(~~(, \$2,684,000 of the dedicated~~
16 ~~marijuana account—state appropriation for fiscal year 2019,))~~) and
17 (~~(\$1,900,000)~~) \$950,000 of the general fund—federal appropriation are
18 provided solely to maintain increased residential treatment services
19 for children and youth.

20 (11) \$250,000 of the dedicated marijuana account—state
21 appropriation for fiscal year 2018 (~~((and \$250,000 of the dedicated~~
22 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is
23 provided solely for training and technical assistance for the
24 implementation of evidence based, research based, and promising
25 programs which prevent or reduce substance use disorders.

26 (12) \$2,434,000 of the dedicated marijuana account—state
27 appropriation for fiscal year 2018 (~~((and \$2,434,000 of the dedicated~~
28 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is
29 provided solely for expenditure into the home visiting services
30 account.

31 (13) \$2,500,000 of the dedicated marijuana account—state
32 appropriation for fiscal year 2018 (~~((and \$2,500,000 of the dedicated~~
33 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is
34 provided solely for grants to community-based programs that provide
35 prevention services or activities to youth, including programs for
36 school-based resource officers. These funds must be utilized in
37 accordance with RCW 69.50.540.

38 (14) Within the amounts provided in this section, behavioral
39 health organizations must provide outpatient chemical dependency

1 treatment for offenders enrolled in the medicaid program who are
2 supervised by the department of corrections pursuant to a term of
3 community supervision. Contracts with behavioral health organizations
4 must require that behavioral health organizations include in their
5 provider network specialized expertise in the provision of
6 manualized, evidence-based chemical dependency treatment services for
7 offenders. The department of corrections and the department must
8 develop a memorandum of understanding for department of corrections
9 offenders on active supervision who are medicaid eligible and meet
10 medical necessity for outpatient substance use disorder treatment.
11 The agreement will ensure that treatment services provided are
12 coordinated, do not result in duplication of services, and maintain
13 access and quality of care for the individuals being served. The
14 department must provide all necessary data, access, and reports to
15 the department of corrections for all department of corrections
16 offenders that receive medicaid paid services.

17 (15) (~~(\$1,125,000)~~) \$563,000 of the general fund—federal
18 appropriation is provided solely for the department to develop a
19 memorandum of understanding with the department of health for
20 implementation of chapter 297, Laws of 2017 (ESHB 1427) (opioid
21 treatment programs). The department must use these amounts to
22 reimburse the department of health for costs incurred through the
23 implementation of the bill.

24 (16) \$891,000 of the general fund—state appropriation for fiscal
25 year 2018(~~(, \$2,580,000 of the general fund—state appropriation for~~
26 ~~fiscal year 2019,)) and (~~(\$2,755,000)~~) \$435,000 of the general fund—
27 federal appropriation are provided solely for the development and
28 operation of two secure detoxification facilities. The department
29 must not use any of these amounts for services in facilities that are
30 subject to federal funding restrictions that apply to institutions
31 for mental diseases, unless they have received a waiver that allows
32 for full federal participation in these facilities.~~

33 (17) (~~(\$1,000,000)~~) \$500,000 of the criminal justice treatment
34 account—state appropriation is provided solely to maintain increased
35 funding for substance abuse treatment and support services for
36 offenders and support of drug courts.

37 (18) The department must review the treatment services provided
38 by the behavioral health organizations (BHO) to individuals
39 supervised by the department of corrections in the community. In

1 reviewing, the department shall compile data specific to BHOs and in
2 the aggregate for access to services, timeliness, number of referrals
3 from the department of corrections, and number of individuals served.
4 The department will consult with the department of corrections and
5 must report to the governor and the appropriate legislative
6 committees no later than November 30, 2017, the transition of
7 services from the department of corrections to the BHOs and identify
8 barriers to access and services for community supervised individuals
9 and provide recommendations for improved services to this population.

10 (19) \$100,000 of the general fund—state appropriation for fiscal
11 year 2018 (~~and \$100,000 of the general fund—state appropriation for~~
12 ~~fiscal year 2019 are~~) is provided solely for parenting education
13 services focused on pregnant and parenting women.

14 (20) Within existing appropriations, the department shall
15 prioritize the prevention and treatment of intravenous opiate-based
16 drug use.

17 (21) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110,
18 and 43.135.055, the department is authorized to adopt fees for the
19 review and approval of mental health and substance use disorder
20 treatment programs in fiscal (~~years~~) year 2018 (~~and 2019~~) as
21 necessary to support the costs of the regulatory program. The
22 department's fee schedule shall have differential rates for providers
23 with proof of accreditation from organizations that the department
24 has determined to have substantially equivalent standards to those of
25 the department, including but not limited to the joint commission on
26 accreditation of health care organizations, the commission on
27 accreditation of rehabilitation facilities, and the council on
28 accreditation. To reflect the reduced costs associated with
29 regulation of accredited programs, the department's fees for
30 organizations with such proof of accreditation must reflect the lower
31 cost of licensing for these programs than for other organizations
32 which are not accredited. To the extent that the fees charged in
33 fiscal year 2018 are not expected to fully cover the cost of the
34 program, the department must submit a report to the office of
35 financial management and the appropriate fiscal committees of the
36 legislature identifying what further increases would be required and
37 the differential impact on providers. This report must be submitted
38 by December 1, 2017.

1 **Sec. 209.** 2017 3rd sp.s. c 1 s 209 (uncodified) is amended to
2 read as follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL**
4 **REHABILITATION PROGRAM**

5	General Fund—State Appropriation (FY 2018).	((\$14,899,000))
6		<u>\$13,890,000</u>
7	General Fund—State Appropriation (FY 2019).	((\$15,603,000))
8		<u>\$14,594,000</u>
9	General Fund—Federal Appropriation.	((\$97,328,000))
10		<u>\$109,730,000</u>
11	<u>Pension Funding Stabilization Account—State</u>	
12	<u>Appropriation.</u>	<u>\$2,024,000</u>
13	TOTAL APPROPRIATION.	((\$127,830,000))
14		<u>\$140,238,000</u>

15 **Sec. 210.** 2017 3rd sp.s. c 1 s 210 (uncodified) is amended to
16 read as follows:

17 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT**
18 **PROGRAM**

19	General Fund—State Appropriation (FY 2018).	((\$45,488,000))
20		<u>\$46,105,000</u>
21	General Fund—State Appropriation (FY 2019).	((\$46,173,000))
22		<u>\$46,975,000</u>
23	<u>Pension Funding Stabilization Account—State</u>	
24	<u>Appropriation.</u>	<u>\$4,858,000</u>
25	TOTAL APPROPRIATION.	((\$91,661,000))
26		<u>\$97,938,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations: The special commitment center may use
29 funds appropriated in this subsection to purchase goods and supplies
30 through hospital group purchasing organizations when it is cost-
31 effective to do so.

32 **Sec. 211.** 2017 3rd sp.s. c 1 s 211 (uncodified) is amended to
33 read as follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND**
35 **SUPPORTING SERVICES PROGRAM**

36	General Fund—State Appropriation (FY 2018).	((\$36,681,000))
37		<u>\$33,519,000</u>

1	General Fund—State Appropriation (FY 2019).	((\$30,791,000))
2		<u>\$28,303,000</u>
3	General Fund—Federal Appropriation.	((\$39,963,000))
4		<u>\$43,655,000</u>
5	((General Fund—Private/Local Appropriation.	\$654,000))
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation.</u>	<u>\$6,247,000</u>
8	TOTAL APPROPRIATION.	((\$108,089,000))
9		<u>\$111,724,000</u>

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

12 (1) \$300,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$300,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for a Washington state mentoring
15 organization to continue its public-private partnerships to provide
16 technical assistance and training to mentoring programs that serve
17 at-risk youth.

18 (2) Within amounts appropriated in this section, the department
19 shall provide to the department of health, where available, the
20 following data for all nutrition assistance programs funded by the
21 United States department of agriculture and administered by the
22 department. The department must provide the report for the preceding
23 federal fiscal year by February 1, 2018, and February 1, 2019. The
24 report must provide:

25 (a) The number of people in Washington who are eligible for the
26 program;

27 (b) The number of people in Washington who participated in the
28 program;

29 (c) The average annual participation rate in the program;

30 (d) Participation rates by geographic distribution; and

31 (e) The annual federal funding of the program in Washington.

32 (3) \$1,216,000 of the general fund—state appropriation for fiscal
33 year 2019 and \$515,000 of the general fund—federal appropriation are
34 provided solely for the implementation of Engrossed Second Substitute
35 House Bill No. 1661 (child, youth, families department). If the bill
36 is not enacted by July 31, 2017, the amount provided in this
37 subsection shall lapse.

38 (4) \$81,000 of the general fund—state appropriation for fiscal
39 year 2018, \$86,000 of the general fund—state appropriation for fiscal

1 year 2019, and \$167,000 of the general fund—federal appropriation are
2 provided solely for the implementation of an agreement reached
3 between the governor and the Washington federation of state employees
4 for the language access providers under the provisions of chapter
5 41.56 RCW for the 2017-2019 fiscal biennium. Funding is contingent
6 upon the enactment of Senate Bill No. 5969 (transparency in public
7 employee collective bargaining). If the bill is not enacted by July
8 31, 2017, the amounts provided in this subsection shall lapse.

9 (5) \$579,000 of the general fund—state appropriation for fiscal
10 year 2019 and \$245,000 of the general fund—federal appropriation are
11 provided solely to modify the number of administrative staff
12 transferring from the department of social and health services to the
13 department of children, youth, and families.

14 (6) \$53,000 of the general fund—state appropriation for fiscal
15 year 2019 and \$12,000 of the general fund—federal appropriation are
16 provided solely to implement Engrossed Substitute Senate Bill No.
17 5588 (racial disproportionality). If this bill is not enacted by June
18 30, 2018, the amounts provided in this subsection shall lapse.

19 (7) \$22,000 of the general fund—state appropriation for fiscal
20 year 2019 and \$43,000 of the general fund—federal appropriation are
21 provided solely to implement Engrossed Substitute Senate Bill No.
22 6037 (uniform parentage act). If this bill is not enacted by June 30,
23 2018, the amounts provided in this subsection shall lapse.

24 **Sec. 212.** 2017 3rd sp.s. c 1 s 212 (uncodified) is amended to
25 read as follows:

26 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER**
27 **AGENCIES PROGRAM**

28	General Fund—State Appropriation (FY 2018).	((\$81,319,000))
29		<u>\$81,955,000</u>
30	General Fund—State Appropriation (FY 2019).	((\$43,380,000))
31		<u>\$42,108,000</u>
32	General Fund—Federal Appropriation.	((\$57,578,000))
33		<u>\$57,184,000</u>
34	TOTAL APPROPRIATION.	((\$182,277,000))
35		<u>\$181,247,000</u>

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

1 (1) \$39,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$11,000 of the general fund—federal appropriation are
3 provided solely for the implementation of Engrossed Second Substitute
4 House Bill No. 1661 (child, youth, families department). If the bill
5 is not enacted by July 31, 2017, the amounts provided in this
6 subsection shall lapse.

7 (2) \$12,000 of the general fund—state appropriation for fiscal
8 year 2018, \$12,000 of the general fund—state appropriation for fiscal
9 year 2019, and \$24,000 of the general fund—federal appropriation are
10 provided solely for the implementation of chapter 268, Laws of 2017
11 (2SHB 1402) (incapacitated persons/rights).

12 (3) Within the amounts appropriated in this section, the
13 department must extend master property insurance to all buildings
14 owned by the department valued over \$250,000 and to all locations
15 leased by the department with contents valued over \$250,000.

16 (4) \$157,000 of the general fund—state appropriation for fiscal
17 year 2018, \$159,000 of the general fund—state appropriation for
18 fiscal year 2019, and \$134,000 of the general fund—federal
19 appropriation are provided solely for legal support, including formal
20 proceedings and informal client advice, associated with adult
21 protective service investigations.

22 **Sec. 213.** 2017 3rd sp.s. c 1 s 213 (uncodified) is amended to
23 read as follows:

24 **FOR THE STATE HEALTH CARE AUTHORITY**

25 During the 2017-2019 fiscal biennium, the health care authority
26 shall provide support and data as required by the office of the state
27 actuary in providing the legislature with health care actuarial
28 analysis, including providing any information in the possession of
29 the health care authority or available to the health care authority
30 through contracts with providers, plans, insurers, consultants, or
31 any other entities contracting with the health care authority.

32 Information technology projects or investments and proposed
33 projects or investments impacting time capture, payroll and payment
34 processes and systems, eligibility, case management, and
35 authorization systems within the health care authority are subject to
36 technical oversight by the office of the chief information officer.

37 The health care authority shall not initiate any services that
38 require expenditure of state general fund moneys unless expressly

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

16 The appropriations to the health care authority in this act shall
17 be expended for the programs and in the amounts specified in this
18 act. To the extent that appropriations in this section are
19 insufficient to fund actual expenditures in excess of caseload
20 forecasts and utilization assumptions, the authority, after May 1,
21 2018, may transfer general fund—state appropriations for fiscal year
22 2018 that are provided solely for a specified purpose. The authority
23 may not transfer funds, and the director of the office of financial
24 management shall not approve the transfer, unless the transfer is
25 consistent with the objective of conserving, to the maximum extent
26 possible, the expenditure of state funds. The director of the office
27 of financial management shall notify the appropriate fiscal
28 committees of the senate and house of representatives in writing
29 seven days prior to approving any allotment modifications or
30 transfers under this subsection. The written notification must
31 include a narrative explanation and justification of changes, along
32 with expenditures and allotments by budget unit and appropriation,
33 both before and after any allotment modifications and transfers.

34 (1) MEDICAL ASSISTANCE

35	General Fund—State Appropriation (FY 2018)	((\$2,065,747,000))
36		<u>\$1,978,855,000</u>
37	General Fund—State Appropriation (FY 2019). . . .	((\$2,114,943,000))
38		<u>\$2,081,350,000</u>
39	General Fund—Federal Appropriation.	((\$11,503,815,000))

1		<u>\$11,754,014,000</u>
2	General Fund—Private/Local Appropriation.	((\$232,300,000))
3		<u>\$229,613,000</u>
4	Emergency Medical Services and Trauma Care Systems	
5	Trust Account—State Appropriation.	\$15,086,000
6	Hospital Safety Net Assessment Account—State	
7	Appropriation.	((\$725,012,000))
8		<u>\$693,099,000</u>
9	Medicaid Fraud Penalty Account—State Appropriation.	\$28,163,000
10	Medical Aid Account—State Appropriation.	\$528,000
11	Dedicated Marijuana Account—State Appropriation	
12	(FY 2018).	((\$16,205,000))
13		<u>\$59,859,000</u>
14	Dedicated Marijuana Account—State Appropriation	
15	(FY 2019).	((\$17,039,000))
16		<u>\$19,434,000</u>
17	((State Health Care Authority Administrative Account—	
18	State Appropriation.	\$7,000))
19	<u>Pension Funding Stabilization Account—State</u>	
20	<u>Appropriation.</u>	<u>\$4,538,000</u>
21	TOTAL APPROPRIATION.	((\$16,718,845,000))
22		<u>\$16,864,539,000</u>

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

25 (a) \$256,645,000 of the general fund—state appropriation for
26 fiscal year 2018 and \$264,704,000 of the general fund—state
27 appropriation for fiscal year 2019 are provided solely for the
28 authority to implement a single, standard medicaid preferred drug
29 list to be used by all contracted medicaid managed health care
30 systems, on or before January 1, 2018. The preferred drug list shall
31 be developed in consultation with all contracted managed health care
32 systems and the state pharmacy and therapeutics committee or drug
33 utilization review board and shall further the goals and objectives
34 of the medicaid program. The list shall be designed to maximize
35 federal rebates and supplemental rebates and ensure access to
36 clinically effective and appropriate drug therapies under each class.
37 Entities eligible for 340B drug pricing shall continue to operate
38 under their current pricing agreement, unless otherwise required by
39 federal laws or regulations. The authority may utilize external

1 consultants with expertise in evidence-based drug class reviews,
2 pharmacy benefit management, and purchasing to assist with the
3 completion of this development and implementation. The authority
4 shall require each managed care organization that has contracted with
5 the authority to provide care to medicaid beneficiaries to use the
6 established preferred drug list; and shall prohibit each managed care
7 organization and any of its agents from negotiating or collecting
8 rebates for any medications listed in the state's medicaid single
9 preferred drug list whether preferred or nonpreferred. To assist in
10 the implementation of the single preferred drug list, contracted
11 medicaid managed health care systems shall provide the authority
12 drug-specific financial information in a format and frequency
13 determined by the authority to include the actual amounts paid to
14 pharmacies for prescription drugs dispensed to covered individuals
15 compared to the cost invoiced to the health plan and individual
16 rebates collected for prescription drugs dispensed to medicaid
17 members. During the 2017-2019 fiscal biennium, the administration of
18 the prescription drug benefit for medicaid managed health care
19 systems shall be carried out by a single pharmacy benefits manager
20 under the prescription drug purchasing consortium with full
21 transparency of all rebates, supplemental rebates, and associated
22 administrative costs. It is the intent of the legislature to continue
23 this policy in subsequent biennia. Information disclosed to the
24 authority by the manufacturer pursuant to this provision shall only
25 be used for the purposes of developing and implementing a single,
26 standard state preferred drug list in accordance with this provision.
27 The authority, medicaid managed care organizations, and all other
28 parties shall maintain the confidentiality of drug-specific financial
29 and other proprietary information and such information shall not be
30 subject to the Washington public records act. The authority shall
31 provide a report to the governor and appropriate committees of the
32 legislature by November 15, 2018, and by November 15, 2019, including
33 a comparison of the amount spent in the previous two fiscal years to
34 expenditures under the new system by, at a minimum, fund source,
35 total expenditure, drug class, and top twenty-five drugs. The data
36 provided to the authority shall be aggregated in any report by the
37 authority, the legislature, or the office of financial management so
38 as not to disclose the proprietary or confidential drug-specific
39 information, or the proprietary or confidential information that
40 directly or indirectly identifies financial information linked to a

1 single manufacturer. It is the intent of the legislature to revisit
2 this policy in subsequent biennia to determine whether it is in the
3 best interest of the state.

4 (b) (~~(\$118,813,000)~~) \$113,356,000 of the general fund—state
5 appropriation for fiscal year 2018 and (~~(\$120,265,000)~~) \$140,578,000
6 of the general fund—state appropriation for fiscal year 2019 are
7 provided solely for holding managed care capitation rates flat at
8 calendar year 2017 levels in state fiscal years and calendar years
9 2018 and 2019.

10 (c) \$122,244,000 of the general fund—state appropriation for
11 fiscal year 2018 and \$116,038,000 of the general fund—state
12 appropriation for fiscal year 2019 are provided solely for the
13 authority through the competitive procurement process, to contract
14 with licensed dental health plans or managed health care plans on a
15 prepaid or fixed-sum risk basis to provide carved-out managed dental
16 care services on a statewide basis that will result in greater
17 efficiency and will facilitate better access and oral health outcomes
18 for medicaid enrollees. Except in areas where only a single plan is
19 available, the authority must contract with at least two plans. The
20 authority shall include in the contracts: (i) Quarterly reporting
21 requirements to include medicaid utilization and encounter data by
22 current dental technology (CDT) code; (ii) a direction to increase
23 the dental provider network; (iii) a commitment to retain innovative
24 programs that improve access and care such as the access to baby and
25 child dentistry program; (iv) a program to reduce emergency room use
26 for dental purposes; (v) a requirement to ensure that dental care is
27 being coordinated with the primary care provider of the patient to
28 ensure integrated care; (vi) a provision that no less than eighty-
29 five percent of the contracting fee be used to directly offset the
30 cost of providing direct patient care as opposed to administrative
31 costs; and (vii) a provision to ensure the contracting fee shall be
32 sufficient to compensate county health departments and federally
33 qualified health centers for dental patient care. The plan(s) awarded
34 this contract must absorb all start-up costs associated with moving
35 the program from fee-for-service to managed care and shall commit to
36 achieving an overall savings to the program based on 2016 fee-for-
37 service experience. In order to comply with state insurance
38 underwriting standards, the authority shall ensure that savings
39 offered by dental plans are actuarially sound. Starting January 31,

1 2019, and every year thereafter through December 2024, the authority
2 shall submit an annual report to the governor and the appropriate
3 committees of the legislature detailing how the contracted entities
4 have met the requirements of the contract. The report shall include
5 specific information to include utilization, how the contracted
6 entities have increased their dental provider networks, how the
7 emergency room use for dental purposes has been reduced, and how
8 dental care has been integrated with patients' primary care
9 providers. If after the end of five years the data reported does not
10 demonstrate sufficient progress to address the stated contracted
11 goals, the legislature will reevaluate whether carved-out dental
12 managed care needs to be replaced with a different delivery model.
13 The authority is authorized to seek any necessary state plan
14 amendments or federal waivers to implement this subsection.
15 Additional dental program savings achieved by the plans beyond those
16 assumed in the 2017-2019 omnibus appropriations act will be used to
17 increase dental provider reimbursement rates. By October 30, 2018,
18 the authority shall report to the governor and the appropriate
19 committees of the legislature anticipated savings related to
20 reduction in dental emergency department visits and utilization once
21 managed care dental coverage begins.

22 (d) (~~(\$1,540,849,000))~~ \$1,481,719,000 of the general fund—state
23 appropriation for fiscal year 2018 and (~~(\$1,585,513,000))~~
24 \$1,540,891,000 of the general fund—state appropriation for fiscal
25 year 2019 are provided solely for medicaid services and the medicaid
26 program. However, the authority shall not accept or expend any
27 federal funds received under a medicaid transformation waiver under
28 healthier Washington except as described in (e) and (f) of this
29 subsection until specifically approved and appropriated by the
30 legislature. To ensure compliance with legislative directive budget
31 requirements and terms and conditions of the waiver, the authority
32 shall implement the waiver and reporting requirements with oversight
33 from the office of financial management. The legislature finds that
34 appropriate management of the innovation waiver requires better
35 analytic capability, transparency, consistency, timeliness, accuracy,
36 and lack of redundancy with other established measures and that the
37 patient must be considered first and foremost in the implementation
38 and execution of the demonstration waiver. In order to effectuate
39 these goals, the authority shall: (i) Require the Dr. Robert Bree
40 collaborative and the health technology assessment program to reduce

1 the administrative burden upon providers by only requiring
2 performance measures that are nonduplicative of other nationally
3 established measures. The joint select committee on health care
4 oversight will evaluate the measures chosen by the collaborative and
5 the health technology assessment program for effectiveness and
6 appropriateness; (ii) develop a patient satisfaction survey with the
7 goal to gather information about whether it was beneficial for the
8 patient to use the center of excellence location in exchange for
9 additional out-of-pocket savings; (iii) ensure patients and health
10 care providers have significant input into the implementation of the
11 demonstration waiver, in order to ensure improved patient health
12 outcomes; and (iv) in cooperation with the department of social and
13 health services, consult with and provide notification of work on
14 applications for federal waivers, including details on waiver
15 duration, financial implications, and potential future impacts on the
16 state budget, to the joint select committee on health care oversight
17 prior to submitting waivers for federal approval. By federal
18 standard, the medicaid transformation demonstration waiver shall not
19 exceed the duration originally granted by the centers for medicare
20 and medicaid services and any programs created or funded by this
21 waiver do not create an entitlement.

22 (e) No more than (~~(\$479,600,000)~~) \$486,683,000 of the general
23 fund—federal appropriation and no more than (~~(\$154,289,000)~~)
24 \$129,103,000 of the general fund—local appropriation may be expended
25 for transformation through accountable communities of health
26 described in initiative 1 of the medicaid transformation
27 demonstration wavier under healthier Washington, including preventing
28 youth drug use, opioid prevention and treatment, and physical and
29 behavioral health integration. Under this initiative, the authority
30 shall take into account local input regarding community needs. In
31 order to ensure transparency to the appropriate fiscal committees of
32 the legislature, the authority shall provide fiscal staff of the
33 legislature query ability into any database of the fiscal
34 intermediary that authority staff would be authorized to access. The
35 authority shall not increase general fund—state expenditures under
36 this initiative. The director shall report to the joint select
37 committee on health care oversight no less than quarterly, and
38 include details for each accountable community of health, on the
39 financial status and measurable health outcomes. The director shall

1 also report to the fiscal committees of the legislature all of the
2 expenditures under this subsection and shall provide such fiscal data
3 in the time, manner, and form requested by the legislative fiscal
4 committees. By December 15, 2019, the authority in collaboration with
5 each accountable community of health shall demonstrate how it will be
6 self-sustaining by the end of the demonstration waiver period,
7 including sources of outside funding, and provide this reporting to
8 the joint select committee on health care oversight. If by the third
9 year of the demonstration waiver there are not measurable, improved
10 patient outcomes and financial returns, the Washington state
11 institute for public policy will conduct an audit of the accountable
12 communities of health, in addition to the process set in place
13 through the independent evaluation required by the agreement with
14 centers for medicare and medicaid services. Prior to the 2018
15 legislative session, the human services, health care, and judiciary
16 committees of the legislature will convene a joint work session to
17 review models in the delivery system and the impacts on medical
18 liability. The work sessions should include integrated delivery
19 models with multiple health care providers and medical malpractice
20 insurance carriers.

21 (f) No more than (~~(\$42,584,000)~~) \$38,425,000 of the general fund—
22 federal appropriation may be expended for supported housing and
23 employment services described in initiative 3a and 3b of the medicaid
24 transformation demonstration waiver under healthier Washington. Under
25 this initiative, the authority and the department of social and
26 health services shall ensure that allowable and necessary services
27 are provided to eligible clients as identified by the department or
28 its third party administrator. The authority and the department in
29 consultation with the medicaid forecast work group, shall ensure that
30 reasonable reimbursements are established for services deemed
31 necessary within an identified limit per individual. The authority
32 shall not increase general fund—state expenditures under this
33 initiative. The director shall report to the joint select committee
34 on health care oversight no less than quarterly on financial and
35 health outcomes. The director shall also report to the fiscal
36 committees of the legislature all of the expenditures of this
37 subsection and shall provide such fiscal data in the time, manner,
38 and form requested by the legislative fiscal committees.

39 (g) No later than November 1, 2018, and each year thereafter, the
40 authority shall report to the governor and appropriate committees of

1 the legislature: (i) Savings attributed to behavioral and physical
2 integration in areas that are scheduled to integrate in the following
3 calendar year, and (ii) savings attributed to behavioral and physical
4 health integration and the level of savings achieved in areas that
5 have integrated behavioral and physical health.

6 ~~((g))~~ (h) Sufficient amounts are appropriated in this
7 subsection to implement the medicaid expansion as defined in the
8 social security act, section 1902(a)(10)(A)(i)(VIII).

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

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

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

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

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

39 ~~((m))~~ (n) \$4,261,000 of the general fund—state appropriation
40 for fiscal year 2018, \$4,261,000 of the general fund—state

1 appropriation for fiscal year 2019, and \$8,522,000 of the general
2 fund—federal appropriation are provided solely for low-income
3 disproportionate share hospital payments.

4 ~~((n))~~ (o) Within the amounts appropriated in this section, the
5 health care authority shall provide disproportionate share hospital
6 payments to hospitals that provide services to children in the
7 children's health program who are not eligible for services under
8 Title XIX or XXI of the federal social security act due to their
9 citizenship status.

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

33 ~~((p))~~ (q) The health care authority shall continue the
34 inpatient hospital certified public expenditures program for the
35 2017-2019 fiscal biennium. The program shall apply to all public
36 hospitals, including those owned or operated by the state, except
37 those classified as critical access hospitals or state psychiatric
38 institutions. The health care authority shall submit reports to the
39 governor and legislature by November 1, 2017, and by November 1,
40 2018, that evaluate whether savings continue to exceed costs for this

1 program. If the certified public expenditures (CPE) program in its
2 current form is no longer cost-effective to maintain, the health care
3 authority shall submit a report to the governor and legislature
4 detailing cost-effective alternative uses of local, state, and
5 federal resources as a replacement for this program. During fiscal
6 year 2018 and fiscal year 2019, hospitals in the program shall be
7 paid and shall retain one hundred percent of the federal portion of
8 the allowable hospital cost for each medicaid inpatient fee-for-
9 service claim payable by medical assistance and one hundred percent
10 of the federal portion of the maximum disproportionate share hospital
11 payment allowable under federal regulations. Inpatient medicaid
12 payments shall be established using an allowable methodology that
13 approximates the cost of claims submitted by the hospitals. Payments
14 made to each hospital in the program in each fiscal year of the
15 biennium shall be compared to a baseline amount. The baseline amount
16 will be determined by the total of (i) the inpatient claim payment
17 amounts that would have been paid during the fiscal year had the
18 hospital not been in the CPE program based on the reimbursement rates
19 developed, implemented, and consistent with policies approved in the
20 2017-2019 biennial operating appropriations act and in effect on July
21 1, 2015, (ii) one-half of the indigent assistance disproportionate
22 share hospital payment amounts paid to and retained by each hospital
23 during fiscal year 2005, and (iii) all of the other disproportionate
24 share hospital payment amounts paid to and retained by each hospital
25 during fiscal year 2005 to the extent the same disproportionate share
26 hospital programs exist in the 2017-2019 fiscal biennium. If payments
27 during the fiscal year exceed the hospital's baseline amount, no
28 additional payments will be made to the hospital except the federal
29 portion of allowable disproportionate share hospital payments for
30 which the hospital can certify allowable match. If payments during
31 the fiscal year are less than the baseline amount, the hospital will
32 be paid a state grant equal to the difference between payments during
33 the fiscal year and the applicable baseline amount. Payment of the
34 state grant shall be made in the applicable fiscal year and
35 distributed in monthly payments. The grants will be recalculated and
36 redistributed as the baseline is updated during the fiscal year. The
37 grant payments are subject to an interim settlement within eleven
38 months after the end of the fiscal year. A final settlement shall be
39 performed. To the extent that either settlement determines that a
40 hospital has received funds in excess of what it would have received

1 as described in this subsection, the hospital must repay the excess
2 amounts to the state when requested. (~~(\$10,575,000)~~) \$359,000 of the
3 general fund—state appropriation for fiscal year 2018 and
4 (~~(\$13,185,000)~~) \$361,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for state grants for the
6 participating hospitals.

7 (~~(q)~~) (r) The health care authority shall seek public-private
8 partnerships and federal funds that are or may become available to
9 provide on-going support for outreach and education efforts under the
10 federal children's health insurance program reauthorization act of
11 2009.

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

24 (~~(s)~~) (t) The authority shall submit reports to the governor
25 and the legislature by September 15, 2018, and no later than
26 September 15, 2019, that delineate the number of individuals in
27 medicaid managed care, by carrier, age, gender, and eligibility
28 category, receiving preventative services and vaccinations. The
29 reports should include baseline and benchmark information from the
30 previous two fiscal years and should be inclusive of, but not limited
31 to, services recommended under the United States preventative
32 services task force, advisory committee on immunization practices,
33 early and periodic screening, diagnostic, and treatment (EPSDT)
34 guidelines, and other relevant preventative and vaccination medicaid
35 guidelines and requirements.

36 (~~(t)~~) (u) Managed care contracts must incorporate
37 accountability measures that monitor patient health and improved
38 health outcomes, and shall include an expectation that each patient
39 receive a wellness examination that documents the baseline health

1 status and allows for monitoring of health improvements and outcome
2 measures.

3 ~~((+u))~~ (v) Sufficient amounts are appropriated in this section
4 for the authority to provide an adult dental benefit.

5 ~~((+v))~~ (w) The health care authority shall coordinate with the
6 department of social and health services to provide referrals to the
7 Washington health benefit exchange for clients that will be
8 ineligible for medicaid.

9 ~~((+w))~~ (x) To facilitate a single point of entry across public
10 and medical assistance programs, and to maximize the use of federal
11 funding, the health care authority, the department of social and
12 health services, and the health benefit exchange will coordinate
13 efforts to expand HealthPlanfinder access to public assistance and
14 medical eligibility staff. The health care authority shall complete
15 medicaid applications in the HealthPlanfinder for households
16 receiving or applying for medical assistance benefits.

17 ~~((+x))~~ (y) \$90,000 of the general fund—state appropriation for
18 fiscal year 2018, \$90,000 of the general fund—state appropriation for
19 fiscal year 2019, and \$180,000 of the general fund—federal
20 appropriation are provided solely to continue operation by a
21 nonprofit organization of a toll-free hotline that assists families
22 to learn about and enroll in the apple health for kids program.

23 ~~((+y))~~ (z) The appropriations in this section reflect savings
24 and efficiencies by transferring children receiving medical care
25 provided through fee-for-service to medical care provided through
26 managed care.

27 ~~((+z))~~ (aa) Within the amounts appropriated in this section, the
28 authority shall reimburse for primary care services provided by
29 naturopathic physicians.

30 ~~((+aa))~~ (bb) Within the amounts appropriated in this section,
31 the authority shall continue to provide coverage for pregnant teens
32 that qualify under existing pregnancy medical programs, but whose
33 eligibility for pregnancy related services would otherwise end due to
34 the application of the new modified adjusted gross income eligibility
35 standard.

36 ~~((+bb))~~ (cc) Sufficient amounts are appropriated in this section
37 to remove the mental health visit limit and to provide the shingles
38 vaccine and screening, brief intervention, and referral to treatment

1 benefits that are available in the medicaid alternative benefit plan
2 in the classic medicaid benefit plan.

3 ~~((ee))~~ (dd) The authority shall use revenue appropriated from
4 the dedicated marijuana fund for contracts with community health
5 centers under RCW 69.50.540 in lieu of general fund—state payments to
6 community health centers for services provided to medical assistance
7 clients, and it is the intent of the legislature that this policy
8 will be continued in subsequent fiscal biennia.

9 ~~((dd))~~ (ee) \$127,000 of the general fund—state appropriation
10 for fiscal year 2018 and \$1,144,000 of the general fund—federal
11 appropriation are provided solely to the ProviderOne provider
12 overtime project and are subject to the conditions, limitations, and
13 review provided in section 724 of this act.

14 ~~((ee))~~ (ff) \$175,000 of the general fund—state appropriation
15 for fiscal year 2018 and \$825,000 of the general fund—federal
16 appropriation are provided solely to the ProviderOne CORE operating
17 rules project and are subject to the conditions, limitations, and
18 review provided in section 724 of this act.

19 ~~((ff—\$2,200,000))~~ (gg) \$1,483,000 of the general fund—state
20 appropriation for fiscal year 2018 ~~((and \$2,701,000)),~~ \$1,594,000 of
21 the general fund—state appropriation for fiscal year 2019, and
22 \$1,509,000 of the general fund—federal appropriation are provided
23 ~~((solely))~~ for a rate increase effective July 1, 2018, and for
24 performance payments to reward successful beneficiary engagement in
25 the health homes program for ~~((dual-eligible))~~ fee for service
26 enrollees and these are the maximum amounts in each fiscal year the
27 authority may expend for this purpose.

28 ~~((gg))~~ (hh) \$450,000 of the general fund—state appropriation
29 for fiscal year 2018, \$450,000 of the general fund—state
30 appropriation for fiscal year 2019, and \$1,058,000 of the general
31 fund—federal appropriation are provided solely for the authority to
32 hire ten nurse case managers to coordinate medically assisted
33 treatment and movements to medical homes for those being treated for
34 opioid use disorder. Nurses shall be located in areas and provider
35 settings with the highest concentration of opioid use disorder
36 patients.

37 ~~((hh))~~ (ii) Sufficient amounts are appropriated in this section
38 for the authority to provide a collaborative care benefit beginning
39 July 1, 2017.

1 ~~((+ii))~~ (jj) The authority and the department of social and
2 health services shall convene a work group consisting of
3 representatives of skilled nursing facilities, adult family homes,
4 assisted living facilities, managers of in-home long-term care,
5 hospitals, and managed health care systems. The work group shall
6 identify barriers that may prevent skilled nursing facilities from
7 accepting and admitting clients from acute care hospitals in a timely
8 and appropriate manner. The work group shall consider what additional
9 resources are needed to allow for faster transfers of enrollees,
10 including those with complex needs. By December 1, 2017, the
11 authority shall report the work group's findings to the governor and
12 the appropriate committees of the legislature.

13 ~~((+jj))~~ (kk) Within the amounts appropriated within this
14 section, the authority shall implement the plan to show how improved
15 access to home health nursing reduces potentially preventable
16 readmissions, increases access to care, reduces hospital length of
17 stay, and prevents overall hospital admissions for clients receiving
18 private duty nursing, medically intensive care, or home health
19 benefits as described in their report to the legislature dated
20 December 15, 2016, entitled home health nursing. The authority shall
21 report to the governor and appropriate committees of the legislature
22 by December 31, 2017, information regarding the effect of the ten
23 dollar rate increases for skilled nursing care delivered via private
24 duty nursing or home health nursing, and how the rate changes
25 impacted the utilization and cost of emergency room visits, reduced
26 the length of stay for initial hospital admissions, and reduced
27 utilization and costs of preventable hospital readmissions. The
28 report will quantify potential cost saving opportunities that may
29 exist through improved access to private duty and home health nursing
30 statewide.

31 ~~((+kk))~~ (ll) Within the amounts appropriated within this
32 section, beginning July 1, 2017, the authority must increase facility
33 fees to birth centers to the amount listed on page two of their
34 report to the legislature dated October 15, 2016, entitled
35 reimbursement for births performed at birth centers. This increased
36 rate is applicable in both a fee for service setting and is the
37 minimum allowable rate in a managed care setting. The authority shall
38 report to the governor and appropriate committees of the legislature
39 by October 15, 2018, updated information regarding access to care,

1 improvements to the Cesarean section rate, and savings outcomes for
2 utilizing birth centers as an alternative to hospitals.

3 ~~((+ll))~~ (mm) Beginning no later than January 1, 2018, for any
4 service eligible under the medicaid state plan for encounter
5 payments, managed care organizations at the request of a rural health
6 clinic shall pay the full published encounter rate directly to the
7 clinic. At no time will a managed care organization be at risk for or
8 have any right to the supplemental portion of the claim. Payments
9 will be reconciled on at least an annual basis between the managed
10 care organization and the authority, with final review and approval
11 by the authority. By September 31, 2017, the authority shall report
12 to the legislature on its progress implementing this subsection.

13 ~~((+mm))~~ (nn) Within the amounts appropriated in this section,
14 and in consultation with appropriate parties, including the rural
15 health clinic association of Washington and the centers for medicare
16 and medicaid services, by December 1, 2017, the authority shall
17 submit a report to the governor and appropriate committees of the
18 legislature evaluating legislative and administrative options to
19 reduce or eliminate any amounts owed by rural health clinics under
20 the payment reconciliation process established in the medicaid state
21 plan.

22 ~~((+nn))~~ (oo) \$500,000 of the general fund—state appropriation
23 for fiscal year 2019 and \$500,000 of the general fund—federal
24 appropriation are provided solely for the authority to implement the
25 oral health connections pilot project in ~~((Yakima, Adams,))~~ Spokane,
26 Thurston, and Cowlitz counties. The authority shall work in
27 collaboration with Washington dental service foundation to jointly
28 develop and implement the program. The purpose of the three-year
29 pilot is to test the effect that enhanced dental benefits for adult
30 medicaid clients with diabetes and pregnant women have on access to
31 dental care, health outcomes, and medical care costs. The authority
32 must model the pilot on the access to baby and child dentistry
33 program. The pilot program must include enhanced reimbursement rates
34 for participating dental providers, including denturists licensed
35 under chapter 18.30 RCW, and an increase in the allowable number of
36 periodontal treatments to up to four per calendar year. Diabetic or
37 pregnant adult medicaid clients who are receiving dental care within
38 the pilot region(s), regardless of location of the service within the
39 pilot region(s), are eligible for the increased number of periodontal
40 treatments. The Washington dental service foundation shall partner

1 with the authority and provide wraparound services to link patients
2 to care. The authority and Washington dental service foundation shall
3 jointly develop the program. The authority and foundation shall
4 provide a joint progress report to the appropriate committees of the
5 legislature on December 1, 2017, and December 1, 2018.

6 ~~((+oo+))~~ (pp) Sufficient amounts are appropriated in this section
7 to increase the daily rate by \$155.20 for skilled nursing performed
8 by licensed practical nurses and registered nurses who serve
9 medically intensive children's program clients who reside in a group
10 home setting.

11 ~~((+pp+))~~ (qq) During the 2017-2019 fiscal biennium, the authority
12 must revise its agreements and contracts with vendors to include a
13 provision to require that each vendor agrees to equality among its
14 workers by ensuring similarly employed individuals are compensated as
15 equals as follows:

16 (i) Employees are similarly employed if the individuals work for
17 the same employer, the performance of the job requires comparable
18 skill, effort, and responsibility, and the jobs are performed under
19 similar working conditions. Job titles alone are not determinative of
20 whether employees are similarly employed;

21 (ii) Vendors may allow differentials in compensation for its
22 workers based in good faith on any of the following:

23 (A) A seniority system; a merit system; a system that measures
24 earnings by quantity or quality of production; a bona fide job-
25 related factor or factors; or a bona fide regional difference in
26 compensation levels.

27 (B) A bona fide job-related factor or factors may include, but
28 not be limited to, education, training, or experience, that is:
29 Consistent with business necessity; not based on or derived from a
30 gender-based differential; and accounts for the entire differential.

31 (C) A bona fide regional difference in compensation level must
32 be: Consistent with business necessity; not based on or derived from
33 a gender-based differential; and account for the entire differential.

34 (iii) The provision must allow for the termination of the
35 contract if the authority or department of enterprise services
36 determines that the vendor is not in compliance with this agreement
37 or contract term.

38 (iv) The authority must implement this provision with any new
39 contract and at the time of renewal of any existing contract.

1 ~~((+qq))~~ (rr) \$100,000 of the general fund—state appropriation
2 for fiscal year 2018 and \$100,000 of the general fund—state
3 appropriation for fiscal year 2019 are provided solely for a pilot
4 program for treatment of inmates at the Snohomish county jail who are
5 undergoing detoxification from heroin and other opioids and for
6 connecting those individuals with treatment providers in the
7 community upon their release.

8 ~~((+rr))~~ (ss) \$6,487,000 of the general fund—state appropriation
9 for fiscal year 2018 and \$1,340,000 of the general fund—state
10 appropriation for fiscal year 2019 are provided solely for the
11 physical health care costs of medicaid clients receiving services in
12 facilities classified as institutions for mental diseases for longer
13 than 15 days in a calendar month. The authority must apply for a
14 waiver from the center for medicare and medicaid services to allow
15 for the full cost of stays in institutions for mental diseases to be
16 included in managed care rates beginning on July 1, 2018. The
17 authority must submit a report on the status of the waiver to the
18 office of financial management and the appropriate committees of the
19 legislature by December 1, 2017.

20 ~~((+ss))~~ (tt) The authority shall evaluate adding a tele-
21 psychiatry consultation benefit for medicaid covered individuals. The
22 authority shall submit a report with the cost associated with adding
23 such a benefit to the governor and appropriate committees of the
24 legislature by October 1, 2017.

25 ~~((+tt))~~ (uu) \$33,000 of the general fund—state appropriation for
26 fiscal year 2018~~(, \$7,000 of the state health care authority~~
27 ~~administrative account—state appropriation,))~~ and \$42,000 of the
28 general fund—federal appropriation are provided solely for the
29 bleeding disorder collaborative for care.

30 ~~((+uu))~~ (vv) \$304,000 of the general fund—state appropriation
31 for fiscal year 2018, \$304,000 of the general fund—state
32 appropriation for fiscal year 2019, and \$608,000 of the general fund—
33 federal appropriation are provided solely for the authority to
34 contract with the University of Washington tele-pain pain management
35 program and pain management call center to advance primary care
36 provider knowledge of complex pain management issues, including
37 opioid addiction.

38 ~~((+vv))~~ (ww) \$165,000 of the general fund—state appropriation
39 for fiscal year 2018, \$329,000 of the general fund—state

1 appropriation for fiscal year 2019, and \$604,000 of the general fund—
2 federal appropriation are provided solely for implementation of
3 chapter 202, Laws of 2017 (Engrossed Second Substitute House Bill No.
4 1713) (children's mental health).

5 ~~((+ww+))~~ (xx) \$1,813,000 of the general fund—state appropriation
6 for fiscal year 2018, \$3,764,000 of the general fund—state
7 appropriation for fiscal year 2019, and \$12,930,000 of the general
8 fund—federal appropriation are provided solely for implementation of
9 chapter 110, Laws of 2017 (Second Substitute House Bill No. 1338)
10 (state health insurance pool).

11 ~~((+xx+))~~ (yy) \$347,000 of the general fund—state appropriation
12 for fiscal year 2018, \$839,000 of the general fund—state
13 appropriation for fiscal year 2019, and \$943,000 of the general fund—
14 federal appropriation are provided solely for implementation of
15 chapter 198, Laws of 2017 (Substitute House Bill No. 1520) (hospital
16 payment methodology).

17 ~~((+yy+))~~ (zz) Sufficient amounts are appropriated in this section
18 for the implementation of chapter 273, Laws of 2017 (Engrossed Second
19 Substitute House Bill No. 1358) (community asst. referral programs).

20 ~~((+zz+))~~ (aaa) \$69,000 of the general fund—state appropriation
21 for fiscal year 2018, \$560,000 of the general fund—state
22 appropriation for fiscal year 2019, and \$308,000 of the general fund—
23 federal appropriation are provided solely for the authority to
24 implement, operate, and maintain a provider credentialing system and
25 are subject to the conditions, limitations, and review provided in
26 section 724 of this act. The authority, in collaboration with the
27 department of health, department of corrections, department of social
28 and health services, the public employees' benefits board, and the
29 department of labor and industries, shall work to ensure that a
30 single platform provider credentialing system is implemented. The
31 authority, departments, and board shall ensure that appropriate cost
32 offsets and cost avoidance are assumed for reduced staff time
33 required for provider credentialing activity and reductions in
34 improper billing activity when implementing provider credentialing
35 systems. The authority must enter into agreements with the department
36 of labor and industries and the public employees' benefits board to
37 pay their share of the costs of implementing and operating a new
38 provider credentialing system. The authority shall submit a report to
39 the office of financial management and appropriate committees of the

1 legislature outlining projected cost savings and cost avoidance no
2 later than December 1, 2018.

3 (bbb) \$358,000 of the general fund—state appropriation and
4 \$1,123,000 of the general fund—federal appropriation for fiscal year
5 2019 are provided solely for implementation of Engrossed Second
6 Substitute Senate Bill No. 5179 (hearing instrument coverage). If the
7 bill is not enacted by June 30, 2018, the amounts provided in this
8 subsection shall lapse.

9 (ccc) \$1,006,000 of the general fund—state appropriation for
10 fiscal year 2019 is provided solely for implementation of Substitute
11 Senate Bill No. 5683 (Pacific Islander health care). If the bill is
12 not enacted by June 30, 2018, the amount provided in this subsection
13 shall lapse.

14 (ddd) \$100,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$400,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for the department and the
17 health care authority to enter into an interagency agreement to
18 contract with Washington autism alliance and advocacy (WAAA) to
19 educate and assist persons seeking the authority's services to
20 address a suspected or diagnosed autism spectrum disorder or
21 developmental disability related to autism spectrum disorder. The
22 department or the authority may refer such individuals to WAAA to
23 support them in navigating the health care system. The authority, in
24 collaboration with the department and WAAA, shall submit a report to
25 the governor and the appropriate committees of the legislature by
26 December 15, 2018, and December 15, 2019, detailing how many persons
27 were referred to, how many persons received services from, and what
28 services were provided by WAAA. The reports shall also include what
29 health care services WAAA was able to connect the referred persons
30 to, the length of time these connections took, the type of health
31 coverage the person referred had at the time of referral, and whether
32 alternate coverage was obtained.

33 (eee) \$770,000 of the general fund—state appropriation for fiscal
34 year 2019 is provided solely for implementation of Substitute Senate
35 Bill No. 6452 (child mental health consult). If the bill is not
36 enacted by June 30, 2018, the amounts provided in this subsection
37 shall lapse.

38 (fff) \$139,000 of the general fund—state appropriation and
39 \$139,000 of the general fund—federal appropriation for fiscal year

1 2019 are provided solely for implementation of Substitute Senate Bill
2 No. 6549 (ABCD dental). If the bill is not enacted by June 30, 2018,
3 the amounts provided in this subsection shall lapse.

4 (ggg) \$1,214,000 of the general fund—state appropriation for
5 fiscal year 2019 and \$4,942,000 of the general fund—federal
6 appropriation are provided solely to implement Second Substitute
7 Senate Bill No. 6150 (opioid use disorder) or Engrossed Substitute
8 House Bill No. 2489 (opioid use disorder). If neither bill is enacted
9 by June 30, 2018, the amounts provided in this subsection shall
10 lapse.

11 (hhh) \$8,819,000 of the general fund—state appropriation for
12 fiscal year 2019 and \$12,679,000 of the general fund—federal
13 appropriation are provided solely for an increase in pediatric
14 primary care provider rates to privately owned and operated pediatric
15 care providers. These amounts are the maximum that the authority may
16 spend for this purpose. The authority must pursue a state plan
17 amendment to increase pediatric primary care provider and pediatric
18 vaccine rates to this class of providers through state directed
19 payments through a permissible payment model. The codes considered
20 for these increases should follow those that were used under the
21 temporary increase provided in calendar years 2013 and 2014 as
22 outlined in section 1202 of the affordable care act. Both physician
23 and nonphysician practitioners are eligible for these increases and
24 are not required to attest. Increases are based upon eligible codes.
25 The authority must provide a report to the governor and appropriate
26 committees of the legislature by November 1, 2019, detailing how the
27 amounts provided in this subsection were used, what percentage
28 increase was provided for pediatric primary care provider evaluation
29 and management rates, what percentage increase was provided for
30 pediatric vaccine rates, how utilization has changed within each
31 category, and how these rate increases have impacted access to care.

32 (2) PUBLIC EMPLOYEES' BENEFITS BOARD AND EMPLOYEE BENEFITS
33 PROGRAMS

34 State Health Care Authority Administration Account—

35 State Appropriation. ((\$42,061,000))
36 \$34,048,000

37 The appropriation in this subsection is subject to the following
38 conditions and limitations:

1 (a) The authority and the public employees' benefits board shall
2 consult with the Washington state institute for public policy on the
3 cost-effectiveness of the wellness plan and any changes to the plan
4 that can be made to increase the health care efficiency of the
5 wellness plan. The authority shall report its findings to the
6 governor and the appropriate committees of the legislature by October
7 15, 2018.

8 (b) The authority and the public employees' benefits board shall
9 ensure that procurement for employee health benefits during the
10 2019-2021 fiscal biennium is consistent with the funding limitations
11 provided in part 9 of this act.

12 (c) \$236,000 of the state health care authority administration
13 account—state appropriation for fiscal year 2018 and \$236,000 of the
14 state health care authority administration account—state
15 appropriation for fiscal year 2019 are provided solely to the
16 affordable care act employer shared responsibility project and are
17 subject to the conditions, limitations, and review provided in
18 section 724 of this act.

19 (d) All savings resulting from reduced claim costs or other
20 factors identified after December 31, 2016, must be reserved for
21 funding employee health benefits in the 2019-2021 fiscal biennium.
22 Any changes to benefits, including covered prescription drugs, must
23 be approved by the public employees' benefits board. Upon procuring
24 benefits for calendar years 2018 and 2019, the public employees'
25 benefits board shall: (1) Not consider any changes to benefits,
26 including prescription drugs, without considering comprehensive
27 analysis of the cost of those changes; and (2) not adopt a package of
28 benefits and premiums that results in a projected unrestricted
29 reserve funding level lower than was projected under the assumptions
30 made prior to procurement. For this purpose, assumptions means
31 projections about the levels of future claims, costs, enrollment and
32 other factors, prior to any changes in benefits. The certificates of
33 coverage agreed to by the health care authority for calendar years
34 2018 and 2019 must ensure that no increases in coverage of
35 prescription drugs, services, or other benefits may occur prior to
36 approval by the public employees' benefits board at the time of
37 procurement of benefits for the ensuing calendar year. The public
38 employees' benefits board may, within the funds provided, adopt a
39 virtual diabetes prevention program and adjust the waiting period for

1 dental crown replacement in the Uniform dental program to align with
2 the dental managed care plans.

3 (e) Within the amounts appropriated within this section, the
4 authority, in consultation with one Washington within the office of
5 financial management, the office of the chief information officer,
6 and other state agencies with statewide payroll or benefit systems,
7 shall prepare a report describing options for the replacement of the
8 Pay 1 information technology system. The report shall evaluate the
9 potential costs, benefits, and feasibility of integrating the
10 functions currently performed by Pay 1 into an existing or new
11 statewide system, as well for a stand-alone system. The report shall
12 also update the business and system requirements documents previously
13 developed for a Pay 1 replacement system. This report shall be
14 provided to the governor and appropriate committees of the
15 legislature by September 30, 2018.

16 (f) (~~(\$8,000,000 of the health care authority administrative~~
17 ~~account state appropriation is provided solely for implementation of~~
18 ~~the school employees' benefits board until the new board commences~~
19 ~~provision of benefits on January 1, 2020. This expenditure shall be~~
20 ~~reimbursed to the health care authority administrative account from~~
21 ~~the newly created school employees' insurance administrative account~~
22 ~~after January 1, 2020.~~

23 (g)) The public employees' benefits board, in collaboration with
24 the authority, shall work to ensure that a single platform provider
25 credentialing system is implemented. The authority and the board
26 shall ensure that appropriate cost offsets and cost avoidance are
27 assumed for reduced staff time required for provider credentialing
28 activity and reductions in improper billing activity when
29 implementing provider credentialing systems. The board must enter
30 into an agreement with the authority to pay its share of the costs of
31 implementing and operating a new provider credentialing system.

32 (3) SCHOOL EMPLOYEES' BENEFITS BOARD
33 School Employees' Insurance Administrative
34 Account—State Appropriation. \$28,730,000

35 The appropriation in this subsection is subject to the following
36 conditions and limitations: \$28,730,000 of the school employees'
37 insurance administrative account—state appropriation is provided
38 solely for implementation of the school employees' benefits board. It
39 is the intent of the legislature that the health care authority

1 administrative account be reimbursed for the appropriation to this
2 account made in Part VII of this act, with interest as determined by
3 the state treasurer.

4 (4) HEALTH BENEFIT EXCHANGE

5	General Fund—State Appropriation (FY 2018).	\$5,184,000
6	General Fund—State Appropriation (FY 2019).	((5,184,000))
7		<u>\$5,651,000</u>
8	General Fund—Federal Appropriation.	((52,837,000))
9		<u>\$51,555,000</u>
10	Health Benefit Exchange Account—State Appropriation.	((56,736,000))
11		<u>\$58,018,000</u>
12	TOTAL APPROPRIATION.	((119,941,000))
13		<u>\$120,408,000</u>

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

16 (a) The receipt and use of medicaid funds provided to the health
17 benefit exchange from the health care authority are subject to
18 compliance with state and federal regulations and policies governing
19 the Washington apple health programs, including timely and proper
20 application, eligibility, and enrollment procedures.

21 (b)(i) By July 15th and January 15th of each year, the authority
22 shall make a payment of one-half the general fund—state appropriation
23 and one-half the health benefit exchange account—state appropriation
24 to the exchange.

25 (ii) For the 2017-2019 biennium, for the purpose of annually
26 calculating issuer assessments, exchange operational costs may
27 include up to three months of additional operating costs.

28 (iii) The exchange shall monitor actual to projected revenues and
29 make necessary adjustments in expenditures or carrier assessments to
30 ensure expenditures do not exceed actual revenues.

31 (iv) Payments made from general fund—state appropriation and
32 health benefit exchange account—state appropriation shall be
33 available for expenditure for no longer than the period of the
34 appropriation from which it was made. When the actual cost of
35 materials and services have been fully determined, and in no event
36 later than the lapsing of the appropriation, any unexpended balance
37 of the payment shall be returned to the authority for credit to the
38 fund or account from which it was made, and under no condition shall
39 expenditures exceed actual revenue.

1 (c) \$196,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for implementation of Substitute Senate
3 Bill No. 5683 (Pacific Islander health care). If the bill is not
4 enacted by June 30, 2018, the amount provided in this subsection
5 shall lapse.

6 (d) \$271,000 of the general fund—state appropriation for fiscal
7 year 2019 is provided solely for implementation of Engrossed Third
8 Substitute Senate Bill No. 6353 (automatic voter registration). If
9 the bill is not enacted by June 30, 2018, the amount provided in this
10 subsection shall lapse.

11 (5) COMMUNITY BEHAVIORAL HEALTH PROGRAM

12	<u>General Fund—State Appropriation (FY 2019).</u>	<u>\$522,820,000</u>
13	<u>General Fund—Federal Appropriation.</u>	<u>\$868,682,000</u>
14	<u>General Fund—Private/Local Appropriation.</u>	<u>\$18,261,000</u>
15	<u>Criminal Justice Treatment Account—State Appropriation.</u>	<u>\$6,490,000</u>
16	<u>Problem Gambling Account—State Appropriation.</u>	<u>\$728,000</u>
17	<u>Dedicated Marijuana Account—State</u>	
18	<u>Appropriation (FY 2019).</u>	<u>\$28,486,000</u>
19	<u>Pension Funding Stabilization Account—State</u>	
20	<u>Appropriation.</u>	<u>\$857,000</u>
21	<u>TOTAL APPROPRIATION.</u>	<u>\$1,446,324,000</u>

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

24 (a) \$6,590,000 of the general fund—state appropriation for fiscal
25 year 2019 and \$3,810,000 of the general fund—federal appropriation
26 are provided solely for the authority and behavioral health
27 organizations to continue to contract for implementation of high-
28 intensity programs for assertive community treatment (PACT) teams. In
29 determining the proportion of medicaid and nonmedicaid funding
30 provided to behavioral health organizations with PACT teams, the
31 authority shall consider the differences between behavioral health
32 organizations in the percentages of services and other costs
33 associated with the teams that are not reimbursable under medicaid.
34 The authority may allow behavioral health organizations which have
35 nonmedicaid reimbursable costs that are higher than the nonmedicaid
36 allocation they receive under this section to supplement these funds
37 with local dollars or funds received under (e) of this subsection.
38 The authority and behavioral health organizations shall maintain

1 consistency with all essential elements of the PACT evidence-based
2 practice model in programs funded under this section.

3 (b) From the general fund—state appropriations in this
4 subsection, the authority shall assure that behavioral health
5 organizations reimburse the department of social and health services
6 aging and long term support administration for the general fund—state
7 cost of medicaid personal care services that enrolled behavioral
8 health organization consumers use because of their psychiatric
9 disability.

10 (c) \$1,760,000 of the general fund—federal appropriation is
11 provided solely for the authority to maintain a pilot project to put
12 peer bridging staff into each behavioral health organization as part
13 of the state psychiatric liaison teams to promote continuity of
14 service as individuals return to their communities.

15 (d) \$6,858,000 of the general fund—state appropriation for fiscal
16 year 2019 and \$4,023,000 of the general fund—federal appropriation
17 are provided solely for new crisis triage or stabilization centers.
18 The authority must seek proposals from behavioral health
19 organizations for the use of these funds based on regional
20 priorities. Services in these facilities may include crisis
21 stabilization and intervention, individual counseling, peer support,
22 medication management, education, and referral assistance. The
23 authority shall monitor each center's effectiveness at lowering the
24 rate of state psychiatric hospital admissions.

25 (e) \$81,930,000 of the general fund—state appropriation for
26 fiscal year 2019 is provided solely for persons and services not
27 covered by the medicaid program. To the extent possible, levels of
28 behavioral health organization spending must be maintained in the
29 following priority order: Crisis and commitment services; community
30 inpatient services; and residential care services, including personal
31 care and emergency housing assistance. These amounts must be
32 distributed to behavioral health organizations proportionate to the
33 fiscal year 2017 allocation of flexible nonmedicaid funds. The
34 authority must include the following language in medicaid contracts
35 with behavioral health organizations unless they are provided formal
36 notification from the center for medicaid and medicare services that
37 the language will result in the loss of federal medicaid
38 participation: "The contractor may voluntarily provide services that
39 are in addition to those covered under the state plan, although the

1 cost of these services cannot be included when determining payment
2 rates unless including these costs are specifically allowed under
3 federal law or an approved waiver."

4 (f) The authority is authorized to continue to contract directly,
5 rather than through contracts with behavioral health organizations
6 for children's long-term inpatient facility services.

7 (g) \$1,125,000 of the general fund—state appropriation for fiscal
8 year 2019 is provided solely for the Spokane county behavioral health
9 organization to implement services to reduce utilization and the
10 census at eastern state hospital. Such services shall include:

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

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

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

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

22 At least annually, the Spokane county behavioral health
23 organization shall assess the effectiveness of these services in
24 reducing utilization at eastern state hospital, identify services
25 that are not optimally effective, and modify those services to
26 improve their effectiveness.

27 (h) \$1,204,000 of the general fund—state appropriation for fiscal
28 year 2019 is provided solely to reimburse Pierce and Spokane counties
29 for the cost of conducting one hundred eighty-day commitment hearings
30 at the state psychiatric hospitals.

31 (i) Behavioral health organizations 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, behavioral health organizations may use a portion of
37 the state funds allocated in accordance with (e) of this subsection
38 to earn additional medicaid match, but only to the extent that the
39 application of such funds to medicaid services does not diminish the
40 level of crisis and commitment, community inpatient, residential

1 care, and outpatient services presently available to persons not
2 eligible for medicaid.

3 (j) \$2,291,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for mental health services for mentally
5 ill offenders while confined in a county or city jail and for
6 facilitating access to programs that offer mental health services
7 upon release from confinement. The authority must collect information
8 from the behavioral health organizations on their plan for using
9 these funds, the numbers of individuals served, and the types of
10 services provided and submit a report to the office of financial
11 management and the appropriate fiscal committees of the legislature
12 by December 1st of each year of the biennium.

13 (k) Within the amounts appropriated in this section, funding is
14 provided for the authority to develop and phase in intensive mental
15 health services for high needs youth consistent with the settlement
16 agreement in *T.R. v. Dreyfus and Porter*.

17 (l) The authority must establish minimum and maximum funding
18 levels for all reserves allowed under behavioral health organization
19 contracts and insert contract language that clearly states the
20 requirements and limitations. The authority must monitor and ensure
21 that behavioral health organization reserves do not exceed maximum
22 levels. The authority must monitor behavioral health organization
23 revenue and expenditure reports and must require a behavioral health
24 organization to submit a corrective action plan on how it will spend
25 its excess reserves within a reasonable period of time, when its
26 reported reserves exceed maximum levels established under the
27 contract. The authority must review and approve such plans and
28 monitor to ensure compliance. If the authority determines that a
29 behavioral health organization has failed to provide an adequate
30 excess reserve corrective action plan or is not complying with an
31 approved plan, the authority must reduce payments to the behavioral
32 health organization in accordance with remedial actions provisions
33 included in the contract. These reductions in payments must continue
34 until the authority determines that the behavioral health
35 organization has come into substantial compliance with an approved
36 excess reserve corrective action plan.

37 (m) \$3,079,000 of the general fund—state appropriation for fiscal
38 year 2019 and \$2,892,000 of the general fund—federal appropriation
39 are provided solely for the authority to increase rates for community

1 hospitals that provide a minimum of two hundred medicaid psychiatric
2 inpatient days. The authority must increase both medicaid and
3 nonmedicaid psychiatric per-diem reimbursement rates for these
4 providers within these amounts. The amounts in this subsection
5 include funding for additional hold harmless payments resulting from
6 the rate increase. The authority shall prioritize increases for
7 hospitals not currently paid based on provider specific costs using a
8 similar methodology used to set rates for existing inpatient
9 facilities and the latest available cost report information. Rate
10 increases for providers must be set so as not to exceed the amounts
11 provided within this subsection. The rate increase related to
12 nonmedicaid clients must be done to maintain the provider at the same
13 percentage as currently required under WAC 182-550-4800.

14 (n) \$100,000 of the general fund—state appropriation for fiscal
15 year 2019 is provided solely for the authority to collaborate with
16 tribal governments and develop a plan for establishing an evaluation
17 and treatment facility that will specialize in providing care
18 specifically to the American Indian and Alaska Native population. The
19 plan must include options for maximizing federal participation and
20 ensuring that utilization will be based on medical necessity.

21 (o) \$7,103,000 of the general fund—state appropriation for fiscal
22 year 2019 and \$8,052,000 of the general fund—federal appropriation
23 are provided solely for the authority to contract with community
24 hospitals or freestanding evaluation and treatment centers to provide
25 up to forty-eight long-term inpatient care beds as defined in RCW
26 71.24.025. The authority must seek proposals and contract directly
27 for these services rather than contracting through behavioral health
28 organizations. The authority must not use any of the amounts provided
29 under this subsection for contracts with facilities that are subject
30 to federal funding restrictions that apply to institutions of mental
31 diseases, unless they have received a waiver that allows for full
32 federal participation in these facilities.

33 (p) \$1,133,000 of the general fund—state appropriation for fiscal
34 year 2019 and \$1,297,000 of the general fund—federal appropriation
35 are provided solely to increase the number of psychiatric residential
36 treatment beds for individuals transitioning from psychiatric
37 inpatient settings. The authority must seek proposals from behavioral
38 health organizations for the use of these amounts and coordinate with
39 the department of social and health services in awarding these funds.

1 The authority must not allow for any of the amounts provided under
2 this subsection to be used for services in facilities that are
3 subject to federal funding restrictions that apply to institutions of
4 mental diseases, unless they have received a waiver that allows for
5 full federal participation in these facilities.

6 (q) \$6,744,000 of the general fund—state appropriation for fiscal
7 year 2019 and \$14,516,000 of the general fund—federal appropriation
8 are provided solely for the authority to increase medicaid capitation
9 payments for behavioral health organizations. The authority must work
10 with the actuaries responsible for certifying behavioral health
11 capitation rates to adjust average salary assumptions in order to
12 implement this increase. In developing further updates for medicaid
13 managed care rates for behavioral health services, the authority must
14 include and make available all applicable documents and analysis to
15 legislative staff from the fiscal committees throughout the process.
16 The authority must require the actuaries to develop and submit rate
17 ranges for each behavioral health organization prior to certification
18 of specific rates.

19 (r) The number of beds allocated for use by behavioral health
20 organizations at eastern state hospital shall be one hundred ninety
21 two per day. The number of nonforensic beds allocated for use by
22 behavioral health organizations at western state hospital shall be
23 five hundred fifty-seven per day. In fiscal year 2019, the authority
24 must reduce the number of beds allocated for use by behavioral health
25 organizations at western state hospital by thirty beds to allow for
26 the repurposing of a civil ward at western state hospital to provide
27 forensic services. The contracted beds provided under (o) of this
28 subsection shall be allocated to the behavioral health organizations
29 in lieu of beds at the state hospitals and be incorporated in their
30 allocation of state hospital patient days of care for the purposes of
31 calculating reimbursements pursuant to RCW 71.24.310. It is the
32 intent of the legislature to continue the policy of expanding
33 community based alternatives for long term civil commitment services
34 that allow for state hospital beds to be prioritized for forensic
35 patients.

36 (s) \$11,405,000 of the general fund—state appropriation for
37 fiscal year 2019 and \$8,840,000 of the general fund—federal
38 appropriation are provided solely to maintain enhancements of
39 community mental health services. The authority must contract these

1 funds for the operation of community programs in which the authority
2 determines there is a need for capacity that allows individuals to be
3 diverted or transitioned from the state hospitals including but not
4 limited to: (i) Community hospital or free standing evaluation and
5 treatment services providing short-term detention and commitment
6 services under the involuntary treatment act to be located in the
7 geographic areas of the King behavioral health organization, the
8 Spokane behavioral health organization outside of Spokane county, and
9 the Thurston Mason behavioral health organization; (ii) one new full
10 program of an assertive community treatment team in the King
11 behavioral health organization and two new half programs of assertive
12 community treatment teams in the Spokane behavioral health
13 organization and the Pierce behavioral health organization; and (iii)
14 three new recovery support services programs in the Great Rivers
15 behavioral health organization, the greater Columbia behavioral
16 health organization, and the north sound behavioral health
17 organization. In contracting for community evaluation and treatment
18 services, the authority may not use these resources in facilities
19 that meet the criteria to be classified under federal law as
20 institutions for mental diseases. If the authority is unable to come
21 to a contract agreement with a designated behavioral health
22 organization for any of the services identified above, it may
23 consider contracting for that service in another region that has the
24 need for such service.

25 (t) \$1,296,000 of the general fund—state appropriation for fiscal
26 year 2019 is provided solely for clubhouse programs. The authority
27 shall ensure that \$400,000 is used for the biennium for support of
28 the Spokane clubhouse program and the remaining funds must be used
29 for support of new clubhouse programs. The authority must develop
30 options and cost estimates for implementation of clubhouse programs
31 statewide through a medicaid state plan amendment or a medicaid
32 waiver and submit a report to the office of financial management and
33 the appropriate committees of the legislature by December 1, 2018.

34 (u) \$213,000 of the general fund—state appropriation for fiscal
35 year 2019 is provided solely to fund one pilot project in Pierce
36 county and one in Yakima county to promote increased utilization of
37 assisted outpatient treatment programs. The authority shall require
38 two behavioral health organizations to contract with local government
39 to establish the necessary infrastructure for the programs. The
40 authority shall provide a report by October 15, 2018, to the office

1 of financial management and the appropriate fiscal and policy
2 committees of the legislature to include the number of individuals
3 served, outcomes to include reduced use of inpatient treatment and
4 state hospital stays, and recommendations for further implementation
5 based on lessons learned and best practices identified by the pilot
6 projects.

7 (v) When a contractual relationship with a behavioral health
8 organizations ends, the behavioral health organization shall return
9 reserve and fund balances, not otherwise obligated, to the state,
10 within sixty days of termination of its agreement to provide
11 services.

12 (w) \$3,278,000 of the dedicated marijuana account—state
13 appropriation for fiscal year 2019 is provided solely for a
14 memorandum of understanding with the department of social and health
15 services juvenile rehabilitation administration to provide substance
16 abuse treatment programs for juvenile offenders. Of the amounts
17 provided in this subsection (5)(w):

18 (i) \$1,130,000 of the dedicated marijuana account—state
19 appropriation for fiscal year 2019 is provided solely for alcohol and
20 substance abuse treatment programs for locally committed offenders.
21 The juvenile rehabilitation administration shall award these funds as
22 described in section 203(4) of this act.

23 (ii) \$282,000 of the dedicated marijuana account—state
24 appropriation for fiscal year 2019 is provided solely for the
25 expansion of evidence-based treatments and therapies as described in
26 section 203(2) of this act.

27 (x) During fiscal year 2019, any amounts provided in this section
28 that are used for case management services for pregnant and parenting
29 women must be contracted directly between the authority and providers
30 rather than through contracts with behavioral health organizations.

31 (y) Within the amounts appropriated in this section, the
32 authority may contract with the University of Washington and
33 community-based providers for the provision of the parent-child
34 assistance program or other specialized chemical dependency case
35 management providers for pregnant, post-partum, and parenting women.
36 For all contractors: (i) Service and other outcome data must be
37 provided to the department by request; and (ii) indirect charges for
38 administering the program must not exceed ten percent of the total
39 contract amount.

1 (z) \$1,750,000 of the general fund—federal appropriation (from
2 the substance abuse prevention and treatment federal block grant) is
3 provided solely for the continued funding of existing county drug and
4 alcohol use prevention programs.

5 (aa) \$200,000 of the dedicated marijuana account—state
6 appropriation for fiscal year 2019 is provided solely for a contract
7 with the Washington state institute for public policy to conduct
8 cost-benefit evaluations of the implementation of chapter 3, Laws of
9 2013 (Initiative Measure No. 502).

10 (bb) \$500,000 of the dedicated marijuana account—state
11 appropriation for fiscal year 2019 is provided solely to design and
12 administer the Washington state healthy youth survey and the
13 Washington state young adult behavioral health survey.

14 (cc) \$396,000 of the dedicated marijuana account—state
15 appropriation for fiscal year 2019 is provided solely for maintaining
16 increased services to pregnant and parenting women provided through
17 the parent child assistance program.

18 (dd) \$250,000 of the dedicated marijuana account—state
19 appropriation for fiscal year 2019 is provided solely for a grant to
20 the office of superintendent of public instruction to provide life
21 skills training to children and youth in schools that are in high
22 needs communities.

23 (ee) \$386,000 of the dedicated marijuana account—state
24 appropriation for fiscal year 2019 is provided solely to maintain
25 increased prevention and treatment services provided by tribes and
26 federally-recognized American Indian organizations to children and
27 youth.

28 (ff) \$2,684,000 of the dedicated marijuana account—state
29 appropriation for fiscal year 2019 and \$950,000 of the general fund—
30 federal appropriation are provided solely to maintain increased
31 residential treatment services for children and youth.

32 (gg) \$250,000 of the dedicated marijuana account—state
33 appropriation for fiscal year 2019 is provided solely for training
34 and technical assistance for the implementation of evidence based,
35 research based, and promising programs which prevent or reduce
36 substance use disorders.

37 (hh) \$2,434,000 of the dedicated marijuana account—state
38 appropriation for fiscal year 2019 is provided solely for expenditure
39 into the home visiting services account.

1 (ii) \$2,500,000 of the dedicated marijuana account—state
2 appropriation for fiscal year 2019 is provided solely for grants to
3 community-based programs that provide prevention services or
4 activities to youth, including programs for school-based resource
5 officers. These funds must be utilized in accordance with RCW
6 69.50.540.

7 (jj) Within the amounts provided in this section, behavioral
8 health organizations must provide outpatient chemical dependency
9 treatment for offenders enrolled in the medicaid program who are
10 supervised by the department of corrections pursuant to a term of
11 community supervision. Contracts with behavioral health organizations
12 must require that behavioral health organizations include in their
13 provider network specialized expertise in the provision of
14 manualized, evidence-based chemical dependency treatment services for
15 offenders. The department of corrections and the authority must
16 develop a memorandum of understanding for department of corrections
17 offenders on active supervision who are medicaid eligible and meet
18 medical necessity for outpatient substance use disorder treatment.
19 The agreement will ensure that treatment services provided are
20 coordinated, do not result in duplication of services, and maintain
21 access and quality of care for the individuals being served. The
22 authority must provide all necessary data, access, and reports to the
23 department of corrections for all department of corrections offenders
24 that receive medicaid paid services.

25 (kk) \$562,000 of the general fund—federal appropriation is
26 provided solely for the authority to develop a memorandum of
27 understanding with the department of health for implementation of
28 chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment programs).
29 The authority must use these amounts to reimburse the department of
30 health for costs incurred through the implementation of the bill.

31 (ll) \$2,580,000 of the general fund—state appropriation for
32 fiscal year 2019 and \$2,320,000 of the general fund—federal
33 appropriation are provided solely for the development and operation
34 of two secure detoxification facilities. The authority must not use
35 any of these amounts for services in facilities that are subject to
36 federal funding restrictions that apply to institutions for mental
37 diseases, unless they have received a waiver that allows for full
38 federal participation in these facilities.

1 (mm) \$500,000 of the criminal justice treatment account—state
2 appropriation is provided solely to maintain increased funding for
3 substance abuse treatment and support services for offenders and
4 support of drug courts.

5 (nn) \$100,000 of the general fund—state appropriation for fiscal
6 year 2019 is provided solely for parenting education services focused
7 on pregnant and parenting women.

8 (oo) Within existing appropriations, the authority shall
9 prioritize the prevention and treatment of intravenous opiate-based
10 drug use.

11 (pp) \$1,657,000 of the general fund—federal appropriation is
12 provided solely to continue youth alcohol, marijuana and opioid
13 preventions services in forty predominantly rural communities.

14 (qq) \$806,000 of the general fund—federal appropriation is
15 provided solely for the health care authority to pursue a medicaid
16 state plan amendment for substance use disorder peer support
17 services.

18 (rr) \$727,000 of the general fund—state appropriation for fiscal
19 year 2019 and \$1,005,000 of the general fund—federal appropriation
20 are provided solely to implement Engrossed Substitute Senate Bill No.
21 6491 (outpatient behavioral health). If the bill is not enacted by
22 June 30, 2018, the amounts provided in this subsection shall lapse.

23 (ss) \$2,732,000 of the general fund—state appropriation for
24 fiscal year 2019 and \$3,885,000 of the general fund—federal
25 appropriation are provided solely to implement Senate Bill No. 6150
26 (opioid use disorder) or Engrossed House Bill No. 2489 (opioid use
27 disorder). If neither bill is enacted by June 30, 2018, the amounts
28 provided in this subsection shall lapse.

29 **Sec. 214.** 2017 3rd sp.s. c 1 s 214 (uncodified) is amended to
30 read as follows:

31 **FOR THE HUMAN RIGHTS COMMISSION**

32	General Fund—State Appropriation (FY 2018)	. . . . .	((\$2,317,000))
33			<u>\$2,221,000</u>
34	General Fund—State Appropriation (FY 2019)	. . . . .	((\$2,359,000))
35			<u>\$2,282,000</u>
36	General Fund—Federal Appropriation	. . . . .	\$2,427,000
37	<u>Pension Funding Stabilization Account—State</u>		
38	<u>Appropriation.</u>	. . . . .	<u>\$190,000</u>

1 TOTAL APPROPRIATION. (~~(\$7,103,000)~~)
2 \$7,120,000

3 The appropriations in this section are subject to the following
4 conditions and limitations: \$21,000 of the general fund—state
5 appropriation for fiscal year 2019 is provided solely for
6 implementation of Senate Bill No. 6471 (model sexual harassment
7 policies). If the bill is not enacted by June 30, 2018, the amount
8 provided in this subsection shall lapse.

9 **Sec. 215.** 2017 3rd sp.s. c 1 s 215 (uncodified) is amended to
10 read as follows:

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

12 Worker and Community Right-to-Know Account—State
13 Appropriation \$10,000
14 Accident Account—State Appropriation (~~(\$22,437,000)~~)
15 \$22,434,000
16 Medical Aid Account—State Appropriation (~~(\$22,438,000)~~)
17 \$22,435,000
18 TOTAL APPROPRIATION. (~~(\$44,885,000)~~)
19 \$44,879,000

20 **Sec. 216.** 2017 3rd sp.s. c 1 s 216 (uncodified) is amended to
21 read as follows:

22 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

23 General Fund—State Appropriation (FY 2018) (~~(\$21,703,000)~~)
24 \$21,719,000
25 General Fund—State Appropriation (FY 2019) (~~(\$20,705,000)~~)
26 \$22,277,000
27 General Fund—Private/Local Appropriation (~~(\$5,905,000)~~)
28 \$6,441,000
29 Death Investigations Account—State Appropriation \$148,000
30 Municipal Criminal Justice Assistance Account—State
31 Appropriation \$460,000
32 Pension Funding Stabilization Account—State
33 Appropriation. \$460,000
34 Washington Auto Theft Prevention Authority Account—State
35 Appropriation \$8,167,000
36 24/7 Sobriety Account—State Appropriation (~~(\$30,000)~~)
37 \$20,000

1 TOTAL APPROPRIATION. ((~~\$57,118,000~~))
2 \$59,692,000

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

5 (1) \$5,000,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$5,000,000 of the general fund—state appropriation for
7 fiscal year 2019, are provided to the Washington association of
8 sheriffs and police chiefs solely to verify the address and residency
9 of registered sex offenders and kidnapping offenders under RCW
10 9A.44.130. The association may use no more than \$50,000 per fiscal
11 year of the amounts provided on program management activities.

12 (2) \$1,284,000 of the general fund—state appropriation for fiscal
13 year 2018 and (~~(\$1,283,000)~~) \$1,809,000 of the general fund—state
14 appropriation for fiscal year 2019 are provided solely for seventy-
15 five percent of the costs of providing six additional statewide basic
16 law enforcement trainings in (~~each~~) fiscal year 2018, and eight
17 additional statewide basic law enforcement trainings in fiscal year
18 2019. The criminal justice training commission must schedule its
19 funded classes to minimize wait times throughout each fiscal year and
20 meet statutory wait time requirements.

21 (3) (~~(\$745,000)~~) \$792,000 of the general fund—local appropriation
22 is provided solely to purchase ammunition for the basic law
23 enforcement academy. Jurisdictions shall reimburse to the criminal
24 justice training commission the costs of ammunition, based on the
25 average cost of ammunition per cadet, for cadets that they enroll in
26 the basic law enforcement academy.

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

29 (5) \$100,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$100,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for a school safety program. The
32 commission, in collaboration with the school safety center advisory
33 committee, shall provide the school safety training for all school
34 administrators and school safety personnel hired after the effective
35 date of this section.

36 (6) \$96,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$96,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for the school safety center
39 within the commission. The safety center shall act as an information

1 dissemination and resource center when an incident occurs in a school
2 district in Washington or in another state, coordinate activities
3 relating to school safety, and review and approve manuals and
4 curricula used for school safety models and training. Through an
5 interagency agreement, the commission shall provide funding for the
6 office of the superintendent of public instruction to continue to
7 develop and maintain a school safety information web site. The school
8 safety center advisory committee shall develop and revise the
9 training program, using the best practices in school safety, for all
10 school safety personnel. The commission shall provide research-
11 related programs in school safety and security issues beneficial to
12 both law enforcement and schools.

13 (7) \$146,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$146,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for the costs of providing
16 statewide advanced driving training with the use of a driving
17 simulator.

18 (8) \$679,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$587,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for implementation of chapter
21 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

22 (9) \$57,000 of the general fund—state appropriation for fiscal
23 year 2018 is provided solely for implementation of chapter 295, Laws
24 of 2017 (SHB 1258) (first responders/disability).

25 (10) \$198,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$414,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for implementation of chapter
28 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

29 (11) \$117,000 of the general fund—state appropriation for fiscal
30 year 2018, \$117,000 of the general fund—state appropriation for
31 fiscal year 2019, and \$1,000,000 of the Washington auto theft
32 prevention account—state appropriation are provided solely for the
33 first responder building mapping information system.

34 (12) \$595,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$595,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely to continue crisis intervention
37 training required in chapter 87, Laws of 2015.

38 (13) \$250,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$250,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the criminal justice
2 training commission to deliver research-based programs to instruct,
3 guide, and support local law enforcement agencies in fostering the
4 "guardian philosophy" of policing, which emphasizes de-escalating
5 conflicts and reducing the use of force.

6 (14) \$429,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$429,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for expenditure into the
9 nonappropriated Washington internet crimes against children account
10 for the implementation of chapter 84, Laws of 2015.

11 (15) \$842,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$353,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the purpose of creating and
14 funding on an ongoing basis the: (a) Updating and providing of basic
15 and in-service training for peace officers and corrections officers
16 that emphasizes de-escalation and use of less lethal force; and (b)
17 creation and provision of an evidence-based leadership development
18 program, in partnership with Microsoft, that trains, equips, and
19 supports law enforcement leaders using research-based strategies to
20 reduce crime and improve public trust.

21 (16) \$100,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$100,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely to the Washington association of
24 sheriffs and police chiefs to fund pilot projects in Benton county to
25 support local law enforcement education for law enforcement, medical
26 professionals, first responders, courts, educators, and others to
27 raise awareness and identifying warning signs of human trafficking.
28 Any educational opportunities created through the pilot projects in
29 Benton county may provide access for adjacent counties if resources
30 and availability permits.

31 (17) \$500,000 of the general fund—state appropriation for fiscal
32 year 2018 is provided solely to the Washington association of
33 sheriffs and police chiefs to administer statewide training in the
34 use of the Washington state gang database, established in compliance
35 with RCW 43.43.762, and provide grant funding to ensure agencies
36 enter appropriate and reliable data into the database. The training
37 shall develop professionals with regional responsibilities for
38 database administration throughout the state.

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

~~((3))~~ (1) \$123,000 of the accident account—state appropriation and \$22,000 of the medical aid—state appropriation are provided solely for implementation of chapter 150, Laws of 2017 (House Bill No. 1906) (farm internship).

~~((4))~~ (2) The department, in collaboration with the health care authority, shall work to ensure that a single platform provider credentialing system is implemented. The authority and department shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems. The department must enter into an agreement with the health care authority to pay its share of the costs of implementing and operating a new provider credentialing system.

~~((5))~~ (3) \$6,124,000 of the accident account—state appropriation and \$5,989,000 of the medical aid account—state appropriation are provided solely for business transformation projects and are subject to the conditions, limitations, and review provided in section 724 of this act.

~~((6))~~ (4) \$19,128,000 of the construction registration inspection account—state appropriation is provided solely to implement House Bill No. 1716 (construction inspection account). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

~~((7))~~ (5) \$2,000,000 of the accident account—state appropriation and \$2,000,000 of the medical account—state appropriation are provided solely for a contract with a workforce institute to provide supplemental instruction for information technology apprentices. Funds spent for this purpose must be matched by an equal amount of funding from the information technology industry members, except small and mid-sized employers. Up to \$2,000,000 may be spent to provide supplemental instruction for apprentices at small and mid-sized businesses. "Small and mid-sized employers" means those that have fewer than one hundred employees or have less than five percent net profitability.

1 **Sec. 218.** 2017 3rd sp.s. c 1 s 218 (uncodified) is amended to
2 read as follows:

3 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

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

6 (a) The department of veterans affairs shall not initiate any
7 services that will require expenditure of state general fund moneys
8 unless expressly authorized in this act or other law. The department
9 may seek, receive, and spend, under RCW 43.79.260 through 43.79.282,
10 federal moneys not anticipated in this act as long as the federal
11 funding does not require expenditure of state moneys for the program
12 in excess of amounts anticipated in this act. If the department
13 receives unanticipated unrestricted federal moneys, those moneys must
14 be spent for services authorized in this act or in any other
15 legislation that provides appropriation authority, and an equal
16 amount of appropriated state moneys shall lapse. Upon the lapsing of
17 any moneys under this subsection, the office of financial management
18 shall notify the legislative fiscal committees. As used in this
19 subsection, "unrestricted federal moneys" includes block grants and
20 other funds that federal law does not require to be spent on
21 specifically defined projects or matched on a formula basis by state
22 funds.

23 (b) Each year, there is fluctuation in the revenue collected to
24 support the operation of the state veteran homes. When the department
25 has foreknowledge that revenue will decrease, such as from a loss of
26 census or from the elimination of a program, the legislature expects
27 the department to make reasonable efforts to reduce expenditures in a
28 commensurate manner and to demonstrate that it has made such efforts.
29 In response to any request by the department for general fund—state
30 appropriation to backfill a loss of revenue, the legislature shall
31 consider the department's efforts in reducing its expenditures in
32 light of known or anticipated decreases to revenues.

33 (2) HEADQUARTERS

34	General Fund—State Appropriation (FY 2018)	(\$2,004,000)
35		<u>\$1,911,000</u>
36	General Fund—State Appropriation (FY 2019)	(\$1,997,000)
37		<u>\$1,905,000</u>
38	Charitable, Educational, Penal, and Reformatory	
39	Institutions Account—State Appropriation	\$10,000

1	<u>Pension Funding Stabilization Account—State</u>	
2	<u>Appropriation.</u>	\$185,000
3	TOTAL APPROPRIATION.	\$4,011,000

4 The appropriations in this subsection are subject to the
5 following conditions and limitations: \$85,000 of the general fund—
6 state appropriation for fiscal year 2018 and \$84,000 of the general
7 fund—state appropriation for fiscal year 2019 are provided solely for
8 the implementation of chapter 173, Laws of 2017 (ESSB 1802)
9 (veterans' shared leave pool).

10	((+2)) <u>(3) FIELD SERVICES</u>	
11	General Fund—State Appropriation (FY 2018)	(\$6,220,000)
12		\$6,074,000
13	General Fund—State Appropriation (FY 2019)	(\$6,278,000)
14		\$8,130,000
15	General Fund—Federal Appropriation	\$3,751,000
16	General Fund—Private/Local Appropriation	\$4,799,000
17	Veteran Estate Management Account—Private/Local	
18	Appropriation	\$666,000

19	<u>Pension Funding Stabilization Account—State</u>	
20	<u>Appropriation.</u>	\$443,000
21	TOTAL APPROPRIATION.	(\$21,714,000)
22		\$23,863,000

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

25 (a) \$300,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$300,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely to provide crisis and emergency
28 relief and education, training, and employment assistance to veterans
29 and their families in their communities through the veterans
30 innovation program.

31 (b) \$200,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$200,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the implementation of
34 chapter 192, Laws of 2017 (SB 5849) (veterans' services).

35 (c) \$110,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$110,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the expansion of the
38 veterans conservation corps by fifteen paid internships.

1 (d) \$2,000,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for an expansion of the veterans
3 innovation program.

4 ((~~3~~)) (4) INSTITUTIONAL SERVICES

5	General Fund—State Appropriation (FY 2018)	. . . . .	((\$2,105,000))
6			<u>\$5,425,000</u>
7	General Fund—State Appropriation (FY 2019)	. . . . .	((\$2,307,000))
8			<u>\$6,283,000</u>
9	General Fund—Federal Appropriation	. . . . .	((\$93,767,000))
10			<u>\$88,945,000</u>
11	General Fund—Private/Local Appropriation	. . . . .	((\$35,687,000))
12			<u>\$29,729,000</u>
13	<u>Pension Funding Stabilization Account—State</u>		
14	<u>Appropriation.</u>	. . . . .	<u>\$1,462,000</u>
15	TOTAL APPROPRIATION.	. . . . .	((\$133,866,000))
16			<u>\$131,844,000</u>

17 **Sec. 219.** 2017 3rd sp.s. c 1 s 219 (uncodified) is amended to
18 read as follows:

19 **FOR THE DEPARTMENT OF HEALTH**

20	General Fund—State Appropriation (FY 2018)	. . . . .	((\$71,759,000))
21			<u>\$69,919,000</u>
22	General Fund—State Appropriation (FY 2019)	. . . . .	((\$72,148,000))
23			<u>\$75,609,000</u>
24	General Fund—Federal Appropriation	. . . . .	((\$550,186,000))
25			<u>\$550,304,000</u>
26	General Fund—Private/Local Appropriation	. . . . .	((\$185,189,000))
27			<u>\$186,316,000</u>
28	Hospital Data Collection Account—State Appropriation	. . . .	\$348,000
29	Health Professions Account—State Appropriation	. . . .	((\$129,629,000))
30			<u>\$128,813,000</u>
31	Aquatic Lands Enhancement Account—State Appropriation	. . . .	\$623,000
32	Emergency Medical Services and Trauma Care Systems		
33	Trust Account—State Appropriation	. . . . .	\$9,247,000
34	Safe Drinking Water Account—State Appropriation	. . . .	((\$5,678,000))
35			<u>\$5,676,000</u>
36	Drinking Water Assistance Account—Federal		
37	Appropriation	. . . . .	((\$16,016,000))
38			<u>\$16,006,000</u>

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

13 (2) During the 2017-2019 fiscal biennium, each person subject to
14 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
15 twenty-five dollars annually for the purposes of RCW 43.70.112,
16 regardless of how many professional licenses the person holds.

17 (3) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
18 the department is authorized to adopt license and certification fees
19 in fiscal years 2018 and 2019 to support the costs of the regulatory
20 program. The department's fee schedule shall have differential rates
21 for providers with proof of accreditation from organizations that the
22 department has determined to have substantially equivalent standards
23 to those of the department, including but not limited to the joint
24 commission on accreditation of health care organizations, the
25 commission on accreditation of rehabilitation facilities, and the
26 council on accreditation. To reflect the reduced costs associated
27 with regulation of accredited programs, the department's fees for
28 organizations with such proof of accreditation must reflect the lower
29 costs of licensing for these programs than for other organizations
30 which are not accredited.

31 (4)(a) \$5,000,000 of the general fund—state appropriation for
32 fiscal year 2018 and \$5,000,000 of the general fund—state
33 appropriation for fiscal year 2019 are provided solely for the
34 department to support the local health jurisdictions to improve their
35 ability to address (i) communicable disease monitoring and prevention
36 and (ii) chronic disease and injury prevention. The department and
37 representatives of local health jurisdictions must work together to
38 arrive at a mutually acceptable allocation and distribution of funds
39 and to determine the best accountability measures to ensure efficient
40 and effective use of funds, emphasizing the use of shared services.

1 (b) By December 31, 2017, the department shall provide a
2 preliminary report, and by November 30, 2018, a final report, to the
3 appropriate committees of the legislature regarding:

4 (i) The allocation of funding, as provided in this subsection, to
5 the local health jurisdictions;

6 (ii) Steps taken by the local health jurisdictions that received
7 funding to improve communicable disease monitoring and prevention and
8 chronic disease and injury prevention;

9 (iii) An assessment of the effectiveness of the steps taken by
10 local health jurisdictions and the criteria measured; and

11 (iv) Any recommendations for future models for service delivery
12 to address communicable and chronic diseases.

13 (5)(a) \$1,000,000 of the general fund—state appropriation for
14 fiscal year 2018 and \$1,000,000 of the general fund—state
15 appropriation for fiscal year 2019 are provided solely for the
16 department, as part of foundational public health services, to
17 implement strategies to control the spread of communicable diseases
18 and other health threats. These strategies may include updating or
19 replacing equipment in the state public health laboratory; addressing
20 health inequities among state residents; reporting on the root cause
21 analyses of adverse events at medical facilities; performing critical
22 activities to prevent adverse health consequences of hepatitis C; or
23 assessing information technology system consolidation and
24 modernization opportunities for statewide public health data systems.

25 (b) By November 30, 2018, the department shall develop a
26 statewide governmental public health improvement plan and provide it
27 to the appropriate committees of the legislature.

28 (6) \$26,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$10,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for the implementation of
31 chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

32 (7) Within amounts appropriated in this section, funding is
33 provided to implement chapter 312, Laws of 2017 (SSB 5046) (language
34 of public notices).

35 (8) \$39,000 of the general fund—local appropriation is provided
36 solely for the implementation of chapter 249, Laws of 2017 (ESHB
37 1714) (nurse staffing plans).

38 (9) \$27,000 of the health professions account—state appropriation
39 and \$50,000 of the Suicide-Safer Homes Project account are provided

1 solely for the implementation of chapter 262, Laws of 2017 (E2SHB
2 1612) (reducing access to lethal means).

3 (10) \$269,000 of the health professions account—state
4 appropriation is provided solely for the implementation of chapter
5 297, Laws of 2017 (ESHB 1427) (opioid treatment program).

6 (11) \$350,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$350,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided to the department solely to cover costs
9 of providing increased capacity under existing contracts with suicide
10 prevention lines to respond to calls to the national suicide
11 prevention lifeline.

12 (12) \$40,000 of the general fund—state appropriation for fiscal
13 year 2018 and (~~(\$40,000)~~) \$90,000 of the general fund—state
14 appropriation for fiscal year 2019 are provided solely for the
15 midwifery licensure and regulatory program to supplement revenue from
16 fees. The department shall charge no more than five hundred twenty-
17 five dollars annually for new or renewed licenses for the midwifery
18 program.

19 (13)(a) Within amounts appropriated in this section, the
20 department, in consultation with advocacy groups and experts that
21 focus on hunger and poverty issues, shall produce a report regarding
22 ongoing nutrition assistance programs funded by the United States
23 department of agriculture and administered in Washington state. The
24 report must be a compilation, by program, of data already collected
25 by the department of social and health services, the department of
26 health, the office of the superintendent of public instruction, and
27 the Washington state department of agriculture, and it must include,
28 where available, but is not limited to:

29 (i) The number of people in Washington who are eligible for the
30 program;

31 (ii) The number of people in Washington who participated in the
32 program;

33 (iii) The average annual participation rate in the program;

34 (iv) Participation rates by geographic distribution; and

35 (v) The annual federal funding of the program in Washington.

36 (b) The department shall report to the appropriate committees of
37 the legislature and to the governor. An initial report is due by
38 April 30, 2018, and a second report is due by April 30, 2019.

1 (14) Information technology projects or investments and proposed
2 projects or investments impacting time capture, payroll and payment
3 processes and systems eligibility, case management, and authorization
4 systems within the department of health are subject to technical
5 oversight by the office of the state chief information officer.

6 (15) \$2,604,000 of the health professions account—state
7 appropriation is provided solely for the medical quality assurance
8 commission to address increased workload.

9 (16) \$896,000 of the health professions account—state
10 appropriation is provided solely for the pharmacy commission to
11 improve research and communication to pharmacies regarding the
12 development and implementation of new and changing rules.

13 (17) \$9,000,000 of the general fund—federal appropriation is
14 provided solely for the department to implement projects and
15 activities during the 2017-2019 fiscal biennium that are designed to
16 improve the health and well-being of individuals living with human
17 immunodeficiency virus, including:

18 (a) A health disparity project to increase access to dental,
19 mental health, and housing services for populations that have
20 historically experienced limited access to needed services, including
21 Latino individuals in central Washington;

22 (b) A project to establish a peer-to-peer network for individuals
23 living with human immunodeficiency virus. Trained navigators will
24 work to link individuals living with human immunodeficiency virus to
25 medical care, housing support, training, and other needed services;

26 (c) A project to expand the MAX clinic within Harborview hospital
27 to serve an increased number of high-need clients and establishing a
28 MAX clinic to serve high-need clients in Pierce county. This project
29 shall also provide statewide training for staff of the department, of
30 local health jurisdictions, and of providers of services for persons
31 with human immunodeficiency virus;

32 (d) The development of a single eligibility portal to allow
33 statewide usage and streamlined case management for individuals who
34 are living with human immunodeficiency virus and receiving public
35 health services; and

36 (e) An assessment and evaluation of the effectiveness of each of
37 the projects outlined in subsections (a) through (d) of this
38 subsection.

1 (18) \$6,096,000 of the general fund—local appropriation is
2 provided solely for the department to target its efforts in the HIV
3 early intervention program toward populations with health
4 disparities.

5 (19) \$1,118,000 of the general fund—local appropriation is
6 provided solely for equipment, testing supplies, and materials
7 necessary to add x-linked adrenoleukodystrophy to the mandatory
8 newborn screening panel. The department is authorized to increase the
9 newborn screening fee by \$8.10.

10 (20) \$1,500,000 of the general fund—state appropriation for
11 fiscal year 2018 and \$1,500,000 of the general fund—state
12 appropriation for fiscal year 2019 are provided solely for:

13 (a) Increased screening, case management, and an electronic data
14 reporting system to identify children who are at the highest risk of
15 having elevated levels of lead in their blood, prioritizing children
16 who live in areas where the risk is highest; and

17 (b) Sampling and testing of drinking water and water fixtures in
18 public schools. The department, in collaboration with the educational
19 service districts, must prioritize testing within elementary schools
20 where drinking water and water fixtures have not been tested for
21 contaminants at any time, and elementary schools where drinking water
22 and water fixtures have not been tested within the past three years.
23 Consistent with the United States environmental protection agency's
24 manual, "3Ts for Reducing Lead in Drinking Water in Schools—Revised
25 Technical Guidance," the department must develop guidance and testing
26 protocols for the lead action level for drinking water and for
27 testing drinking water and drinking water fixtures in public and
28 private schools. The guidance must include:

29 (i) Actions to take if test results exceed the federal action
30 level or public drinking water standard;

31 (ii) Recommendations to schools on prioritizing fixture
32 replacement, and options for further reducing lead, including
33 replacement of fixtures or use of certified filters when results are
34 below the federal action level for schools, but exceed the maximum
35 level recommended by the American Academy of Pediatrics; and

36 (iii) Recommendations for communicating test results and risk to
37 parents and the community, including that there is no safe level of
38 lead in water and that action may be warranted even if levels are
39 below the action level.

1 (21) \$277,000 of the general fund—local appropriation is provided
2 solely to implement chapter 207, Laws of 2017 (E2SHB 1819)
3 (children's mental health).

4 (22) \$130,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$130,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely to increase the funding for the
7 breast, cervical, and colon health program administered by the
8 department.

9 (23) Within the amounts appropriated in this section, and in
10 accordance with RCW 43.20B.110 and 70.41.100, the department shall
11 set fees to include the full costs of the performance of inspections
12 pursuant to RCW 70.41.080.

13 (24) Within the amounts appropriated in this section, and in
14 accordance with RCW 43.70.110 and 71.12.470, the department shall set
15 fees to include the full costs of the performance of inspections
16 pursuant to RCW 71.12.485.

17 (25) (~~(\$250,000 of the general fund state appropriation for~~
18 ~~fiscal year 2018 and~~) \$250,000 of the general fund—state
19 appropriation for fiscal year 2019 (~~are~~) is provided solely for the
20 department to contract with a nongovernmental entity that has
21 experience in adapting global health strategies to underserved
22 communities for a pilot program to develop strategies to address
23 health disparities in rural communities. The program should engage
24 marginalized communities in order to identify barriers and social
25 determinants that most impact health, including access to housing and
26 food and economic stability. The department must report to the
27 legislature by December 1, 2018, regarding identified barriers and
28 any recommendations for interventions.

29 (26) \$27,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$16,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for the implementation of
32 chapter 273, Laws of 2017 (E2SHB 1358) (community assistance referral
33 programs).

34 (27) \$224,000 of the health professions account—state
35 appropriation is provided solely for the implementation of chapter
36 320, Laws of 2017 (SSB 5322) (dentists and third parties).

37 (28) \$93,000 of the health professions account—state
38 appropriation is provided solely for the implementation of chapter
39 101, Laws of 2017 (ESHB 1431) (osteopathic medicine and surgery).

1 (29) \$82,000 of the general fund—local appropriation is provided
2 solely for the implementation of chapter 263, Laws of 2017 (SSB 5152)
3 (pediatric transitional care).

4 (30) \$25,000 of the general fund—state appropriation for fiscal
5 year 2018 is provided solely for the department to prepare and submit
6 a report about the certificate of need program to the governor and
7 the appropriate fiscal and policy committees of the legislature by
8 October 1, 2017. By health care setting, for each of the preceding
9 ten fiscal years, the report must show the total number of
10 applications, the total number of accepted applications, the total
11 number of beds requested, the total number of beds approved, and a
12 summary of the most common reasons for declining an application. The
13 report must include suggestions for modifying the program to increase
14 the number of successful applications. At least one suggestion must
15 address the goal of adding psychiatric beds within hospitals.

16 (31) The department, in collaboration with the health care
17 authority, shall work to ensure that a single platform provider
18 credentialing system is implemented. The authority and department
19 shall ensure that appropriate cost offsets and cost avoidance are
20 assumed for reduced staff time required for provider credentialing
21 activity and reductions in improper billing activity when
22 implementing provider credentialing systems.

23 (32) \$28,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$28,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for staffing capacity at the
26 department to support a performance audit of the fee-setting process
27 for each health profession licensed by the department.

28 (33) The appropriations in this section include sufficient
29 funding for the implementation of chapter 294, Laws of 2017 (SSB
30 5835) (health outcomes/pregnancy).

31 (34) In accordance with RCW 43.20B.110, 43.135.055, and
32 71.24.035, the department is authorized to adopt license and
33 certification fees in fiscal year 2019 to support the costs of the
34 regulatory program. The department's fee schedule shall have
35 differential rates for providers with proof of accreditation from
36 organizations that the department has determined to have
37 substantially equivalent standards to those of the department,
38 including but not limited to the joint commission on accreditation of
39 health care organizations, the commission on accreditation of

1 rehabilitation facilities, and the council on accreditation. To
2 reflect the reduced costs associated with regulation of accredited
3 programs, the department's fees for organizations with such proof of
4 accreditation must reflect the lower costs of licensing for these
5 programs than for other organizations which are not accredited.

6 (35) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110,
7 and 43.135.055, the department is authorized to adopt fees for the
8 review and approval of mental health and substance use disorder
9 treatment programs in fiscal years 2018 and 2019 as necessary to
10 support the costs of the regulatory program. The department's fee
11 schedule must have differential rates for providers with proof of
12 accreditation from organizations that the department has determined
13 to have substantially equivalent standards to those of the
14 department, including but not limited to the joint commission on
15 accreditation of health care organizations, the commission on
16 accreditation of rehabilitation facilities, and the council on
17 accreditation. To reflect the reduced costs associated with
18 regulation of accredited programs, the department's fees for
19 organizations with such proof of accreditation must reflect the lower
20 cost of licensing for these programs than for other organizations
21 which are not accredited.

22 (36) \$29,000 of the health professions account—state
23 appropriation is provided solely for the implementation of chapter
24 22, Laws of 2017 (HB 1198) (substance abuse/podiatric).

25 (37) \$22,000 of the health professions account—state
26 appropriation is provided solely for the implementation of chapter
27 108, Laws of 2017 (HB 1278) (physical therapy licensure compact).

28 (38) \$21,000 of the health professions account—state
29 appropriation is provided solely for the implementation of chapter
30 195, Laws of 2017 (HB 1337) (interstate medical license compact).

31 (39) \$12,000 of the health professions account—state
32 appropriation is provided solely for the implementation of chapter
33 100, Laws of 2017 (SHB 1411) (dental licensure/residency).

34 (40) \$13,000 of the health professions account—state
35 appropriation is provided solely for the implementation of chapter
36 205, Laws of 2017 (SHB 1765) (prescription drug donation).

37 (41) \$10,000 of the health professions account—state
38 appropriation is provided solely for the implementation of chapter
39 212, Laws of 2017 (SSB 5035) (investigational medical products).

1 (42) \$61,000 of the health professions account—state
2 appropriation is provided solely for the implementation of chapter
3 216, Laws of 2017 (SB 5177) (LTC workers/hearing loss training).

4 (43) \$10,000 of the health professions account—state
5 appropriation is provided solely for the implementation of chapter
6 45, Laws of 2017 (SB 5413) (physician limited licenses).

7 (44) \$41,000 of the general fund—state appropriation for fiscal
8 year 2019 is provided solely for the implementation of chapter 56,
9 Laws of 2016 (SB 5689) (diabetes planning/reporting).

10 (45) \$61,000 of the general fund—state appropriation for fiscal
11 year 2019 is provided solely for the implementation of chapter 294,
12 Laws of 2017 (SSB 5835) (health outcomes).

13 (46) \$360,000 of the general fund—state appropriation for fiscal
14 year 2019 is provided solely for integrating the behavioral health
15 certification and licensing program with the other professional
16 management systems and processes at the department of health.

17 (47) \$15,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$62,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for continuing the early hearing
20 detection diagnosis and intervention program.

21 (48) \$72,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$206,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely to implement Substitute Senate
24 Bill No. 6514 (higher ed. behavioral health). If this bill is not
25 enacted by June 30, 2018, the amounts provided in this subsection
26 shall lapse.

27 (49) \$113,000 of the general fund—local appropriation is provided
28 solely to implement Engrossed Substitute Senate Bill No. 6037
29 (uniform parentage act). If this bill is not enacted by June 30,
30 2018, the amount provided in this subsection shall lapse.

31 (50) \$19,000 of the health professions account—state
32 appropriation is provided solely to implement Substitute Senate Bill
33 No. 6273 (state charity care). If this bill is not enacted by June
34 30, 2018, the amount provided in this subsection shall lapse.

35 (51) \$967,000 of the general fund—state appropriation for fiscal
36 year 2019 and \$103,000 of the health professions account—state
37 appropriation are provided solely to implement Second Substitute
38 Senate Bill No. 6150 (opioid use disorder) or Engrossed Substitute
39 House Bill No. 2489 (opioid use disorder). If neither bill is enacted

1 by June 30, 2018, the amounts provided in this subsection shall
2 lapse.

3 (52) \$2,000,000 of the general fund—state appropriation for
4 fiscal year 2019 is provided solely for an expansion of screening and
5 diagnostic services for early detection of breast, cervical, and
6 colorectal cancer.

7 **Sec. 220.** 2017 3rd sp.s. c 1 s 220 (uncodified) is amended to
8 read as follows:

9 **FOR THE DEPARTMENT OF CORRECTIONS**

10 The appropriations to the department of corrections in this act
11 shall be expended for the programs and in the amounts specified in
12 this act. To the extent that appropriations in this section are
13 insufficient to fund actual expenditures in excess of caseload
14 forecasts and utilization assumptions, the department, after May 1,
15 2018, may transfer general fund—state appropriations for fiscal year
16 2018 that are provided solely for a specified purpose. The department
17 may not transfer funds, and the director of the office of financial
18 management may not approve the transfer, unless the transfer is
19 consistent with the objective of conserving, to the maximum extent
20 possible, the expenditure of state funds. The director of the office
21 of financial management shall notify the appropriate fiscal
22 committees of the senate and house of representatives in writing
23 seven days prior to approving any allotment modifications or
24 transfers under this subsection. The written notification must
25 include a narrative explanation and justification of changes, along
26 with expenditures and allotments by budget unit and appropriation,
27 both before and after any allotment modifications and transfers.

28 (1) ADMINISTRATION AND SUPPORT SERVICES

29 General Fund—State Appropriation (FY 2018)	((\$64,492,000))
30	\$60,628,000
31 General Fund—State Appropriation (FY 2019)	((\$64,219,000))
32	\$59,767,000
33 <u>General Fund—Federal Appropriation.</u>	<u>\$400,000</u>
34 <u>Pension Funding Stabilization Account—State</u>	
35 <u>Appropriation.</u>	<u>\$7,602,000</u>
36 TOTAL APPROPRIATION.	((\$128,711,000))
37	\$128,397,000

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

3 (a) \$35,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$35,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the support of a statewide
6 council on mentally ill offenders that includes as its members
7 representatives of community-based mental health treatment programs,
8 current or former judicial officers, and directors and commanders of
9 city and county jails and state prison facilities. The council will
10 investigate and promote cost-effective approaches to meeting the
11 long-term needs of adults and juveniles with mental disorders who
12 have a history of offending or who are at-risk of offending,
13 including their mental health, physiological, housing, employment,
14 and job training needs.

15 (b)(i) During the 2017-2019 fiscal biennium, the department must
16 revise its agreements and contracts with vendors to include a
17 provision to require that each vendor agrees to equality among its
18 workers by ensuring similarly employed individuals are compensated as
19 equals as follows:

20 (A) Employees are similarly employed if the individuals work for
21 the same employer, the performance of the job requires comparable
22 skill, effort, and responsibility, and the jobs are performed under
23 similar working conditions. Job titles alone are not determinative of
24 whether employees are similarly employed;

25 (B) Vendors may allow differentials in compensation for its
26 workers based in good faith on any of the following:

27 (I) A seniority system; a merit system; a system that measures
28 earnings by quantity or quality of production; a bona fide job-
29 related factor or factors; or a bona fide regional difference in
30 compensation levels.

31 (II) A bona fide job-related factor or factors may include, but
32 not be limited to, education, training, or experience, that is:
33 Consistent with business necessity; not based on or derived from a
34 gender-based differential; and accounts for the entire differential.

35 (III) A bona fide regional difference in compensation level must
36 be: Consistent with business necessity; not based on or derived from
37 a gender-based differential; and account for the entire differential.

38 (ii) The provision must allow for the termination of the contract
39 if the department or department of enterprise services determines

1 that the vendor is not in compliance with this agreement or contract
2 term.

3 (iii) The department must implement this provision with any new
4 contract and at the time of renewal of any existing contract.

5 (c) \$865,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$587,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for information technology
8 business solutions and are subject to the conditions, limitations,
9 and review provided in section 724 of this act.

10 (d) The department, in collaboration with the health care
11 authority, shall work to ensure that a single platform provider
12 credentialing system is implemented. The authority and department
13 shall ensure that appropriate cost offsets and cost avoidance are
14 assumed for reduced staff time required for provider credentialing
15 activity and reductions in improper billing activity when
16 implementing provider credentialing systems.

17 (e) \$51,000 of the general fund—state appropriation for fiscal
18 year 2018 is provided solely for the implementation of Substitute
19 Senate Bill No. 6277 (graduated reentry program). If the bill is not
20 enacted by June 30, 2018, the amount in this subsection shall lapse.

21 (2) CORRECTIONAL OPERATIONS

22	General Fund—State Appropriation (FY 2018)	. . . .	((\$541,061,000))
23			<u>\$499,134,000</u>
24	General Fund—State Appropriation (FY 2019)	. . . .	((\$562,878,000))
25			<u>\$517,417,000</u>
26	General Fund—Federal Appropriation	. . . . .	\$818,000
27	Washington Auto Theft Prevention Authority Account—State		
28	Appropriation	. . . . .	((\$4,608,000))
29			<u>\$4,597,000</u>
30	<u>Pension Funding Stabilization Account—State</u>		
31	<u>Appropriation</u>	. . . . .	<u>\$62,831,000</u>
32	TOTAL APPROPRIATION	. . . . .	((\$1,109,365,000))
33			<u>\$1,084,797,000</u>

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

36 (a) The department may contract for beds statewide to the extent
37 that it is at no net cost to the department. The department shall
38 calculate and report the average cost per offender per day, inclusive
39 of all services, on an annual basis for a facility that is

1 representative of average medium or lower offender costs. The
2 duration of the contracts may be for up to four years. The department
3 shall not pay a rate greater than \$85 per day per offender for all
4 costs associated with the offender while in the local correctional
5 facility to include programming and health care costs, or the
6 equivalent of \$85 per day per bed including programming and health
7 care costs for full units. The capacity provided at local
8 correctional facilities must be for offenders whom the department of
9 corrections defines as medium or lower security offenders.
10 Programming provided for inmates held in local jurisdictions is
11 included in the rate, and details regarding the type and amount of
12 programming, and any conditions regarding transferring offenders must
13 be negotiated with the department as part of any contract. Local
14 jurisdictions must provide health care to offenders that meet
15 standards set by the department. The local jail must provide all
16 medical care including unexpected emergent care. The department must
17 utilize a screening process to ensure that offenders with existing
18 extraordinary medical/mental health needs are not transferred to
19 local jail facilities. If extraordinary medical conditions develop
20 for an inmate while at a jail facility, the jail may transfer the
21 offender back to the department, subject to terms of the negotiated
22 agreement. Health care costs incurred prior to transfer are the
23 responsibility of the jail.

24 (b) \$501,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$501,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for the department to maintain
27 the facility, property, and assets at the institution formerly known
28 as the maple lane school in Rochester.

29 (c) \$1,379,000 of the general fund—state appropriation for fiscal
30 year 2018, and \$1,379,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for the department to contract
32 for the use of inmate bed capacity in lieu of prison beds operated by
33 the state to meet prison capacity needs.

34 ~~(d) ((\$250,000 of the general fund—state appropriation for fiscal~~
35 ~~year 2018 and \$250,000 of the general fund—state appropriation for~~
36 ~~fiscal year 2019 are provided solely for the department to enter into~~
37 ~~an agreement to purchase electricity for the Monroe correctional~~
38 ~~complex from a sawmill waste cogeneration system that is connected to~~
39 ~~a lumber mill that employs at least 150 people. The agreement cannot~~

1 ~~increase the total cost for the purchase of electricity for the~~
2 ~~entire complex.~~

3 ~~(e))~~ Within the amounts appropriated in this section, funding is
4 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th
5 offense/felony).

6 ~~((f))~~ (e) The appropriations in this section include sufficient
7 funding for the implementation of chapter 226, Laws of 2017 (HB 1153)
8 (vulnerable persons/crimes).

9 ~~((g) The appropriations in this section include sufficient~~
10 ~~funding for the implementation of Senate Bill No. 5934 (concerning~~
11 ~~convicted persons).~~

12 ~~(i))~~ (f) Within the amounts appropriated in this section, the
13 department of corrections must review the use of full body scanners
14 at state correctional facilities for women to reduce the frequency of
15 strip and body cavity searches and report with recommendations to the
16 governor and the appropriate legislative committees by November 15,
17 2017. The report must address the cost of technology, installation,
18 and maintenance; the benefits to personnel and inmates; information
19 regarding accumulated exposure to radiation; and general guidelines
20 for implementation at a pilot facility.

21 (g) \$44,000 of the general fund—state appropriation for fiscal
22 year 2019 is provided solely for the implementation of Senate Bill
23 No. 5588 (racial disproportionality). If the bill is not enacted by
24 June 30, 2018, the amount in this subsection shall lapse.

25 (h) \$250,000 of the general fund—state appropriation for fiscal
26 year 2019 is provided solely for the department to enter an agreement
27 to purchase electricity for the Monroe correctional complex from a
28 source located within Snohomish county that is fueled using
29 commercial or industrial waste from an on-site lumber mill that
30 employs at least 150 people.

31 (3) COMMUNITY SUPERVISION

32	General Fund—State Appropriation (FY 2018)	. . . . .	(\$181,670,000)
33			<u>\$179,455,000</u>
34	General Fund—State Appropriation (FY 2019)	. . . . .	(\$187,807,000)
35			<u>\$185,398,000</u>
36	General Fund—Federal Appropriation	. . . . .	(\$2,368,000)
37			<u>\$2,902,000</u>
38	<u>Pension Funding Stabilization Account—State</u>		
39	<u>Appropriation.</u>	. . . . .	<u>\$12,791,000</u>

1 TOTAL APPROPRIATION. ((~~\$371,845,000~~))
2 \$380,546,000

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

5 (a) The department of corrections shall contract with local and
6 tribal governments for the provision of jail capacity to house
7 offenders who violate the terms of their community supervision. A
8 contract shall not have a cost of incarceration in excess of \$85 per
9 day per offender. A contract shall not have a year-to-year increase
10 in excess of three percent per year. The contracts may include rates
11 for the medical care of offenders which exceed the daily cost of
12 incarceration and the limitation on year-to-year increases, provided
13 that medical payments conform to the department's offender health
14 plan and pharmacy formulary, and all off-site medical expenses are
15 preapproved by department utilization management staff.

16 (b) The department shall engage in ongoing mitigation strategies
17 to reduce the costs associated with community supervision violators,
18 including improvements in data collection and reporting and
19 alternatives to short-term confinement for low-level violators.

20 (c) By January 1, 2018, the department of corrections shall
21 provide a report to the office of financial management and the
22 appropriate fiscal and policy committees of the legislature to
23 include a review of the department's policies and procedures related
24 to swift and certain sanctioning, and identification of legal
25 decisions that impact caseload and operations. The report shall
26 include recommendations for improving public and staff safety while
27 decreasing recidivism through improved alignment of the department's
28 policies and procedures with current best practices concerning swift
29 and certain sanctioning. The report shall include a review of
30 department practices, legal decisions that impact caseload and
31 operations, an analysis of current best practices in other
32 jurisdictions that have adopted swift and certain sanctioning, and
33 recommendations to improve the department's practices and procedures.

34 (d) Within the amounts appropriated in this section, funding is
35 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th
36 offense/felony).

37 (~~(The appropriations in this section include sufficient~~
38 ~~funding for the implementation of Senate Bill No. 5934 (concerning~~
39 ~~convicted persons).)) \$1,742,000 of the general fund—state~~

1 appropriation for fiscal year 2019 is provided solely for the
2 implementation of Substitute Senate Bill No. 6277 (graduated reentry
3 program). If the bill is not enacted by June 30, 2018, the amount in
4 this subsection shall lapse.

5 (4) CORRECTIONAL INDUSTRIES

6	General Fund—State Appropriation (FY 2018)	. . . . .	((\$5,985,000))
7			<u>\$6,278,000</u>
8	General Fund—State Appropriation (FY 2019)	. . . . .	((\$6,085,000))
9			<u>\$5,979,000</u>
10	<u>Pension Funding Stabilization Account—State</u>		
11	<u>Appropriation.</u>	. . . . .	<u>\$510,000</u>
12	TOTAL APPROPRIATION.	. . . . .	((\$12,070,000))
13			<u>\$12,767,000</u>

14 (5) INTERAGENCY PAYMENTS

15	General Fund—State Appropriation (FY 2018)	. . . . .	((\$44,091,000))
16			<u>\$44,806,000</u>
17	General Fund—State Appropriation (FY 2019)	. . . . .	((\$41,176,000))
18			<u>\$42,082,000</u>
19	TOTAL APPROPRIATION.	. . . . .	((\$85,267,000))
20			<u>\$86,888,000</u>

21 The appropriations in this subsection are subject to the
22 following conditions and limitations: \$13,000 of the general fund—
23 state appropriation for fiscal year 2019 is provided solely for the
24 implementation of Substitute Senate Bill No. 6277 (graduated reentry
25 program). If the bill is not enacted by June 30, 2018, the amount in
26 this subsection shall lapse.

27 (6) OFFENDER CHANGE

28	General Fund—State Appropriation (FY 2018)	. . . . .	((\$55,170,000))
29			<u>\$52,685,000</u>
30	General Fund—State Appropriation (FY 2019)	. . . . .	((\$56,426,000))
31			<u>\$53,990,000</u>
32	<u>Pension Funding Stabilization Account—State</u>		
33	<u>Appropriation.</u>	. . . . .	<u>\$4,434,000</u>
34	TOTAL APPROPRIATION.	. . . . .	((\$111,596,000))
35			<u>\$111,109,000</u>

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

1 (a) The department of corrections shall use funds appropriated in
2 this subsection (6) for offender programming. The department shall
3 develop and implement a written comprehensive plan for offender
4 programming that prioritizes programs which follow the risk-needs-
5 responsivity model, are evidence-based, and have measurable outcomes.
6 The department is authorized to discontinue ineffective programs and
7 to repurpose underspent funds according to the priorities in the
8 written plan.

9 (b) Within the amounts appropriated in this section, funding is
10 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th
11 offense/felony).

12 (c) \$334,000 of the general fund—state appropriation for fiscal
13 year 2019 is provided solely for the implementation of Substitute
14 Senate Bill No. 6277 (graduated reentry program). If the bill is not
15 enacted by June 30, 2018, the amount in this subsection shall lapse.

16 (7) HEALTH CARE SERVICES

17	General Fund—State Appropriation (FY 2018)	((\$128,680,000))
18		<u>\$144,271,000</u>
19	General Fund—State Appropriation (FY 2019)	((\$127,782,000))
20		<u>\$146,391,000</u>
21	TOTAL APPROPRIATION.	((\$256,462,000))
22		<u>\$290,662,000</u>

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

28 **Sec. 221.** 2017 3rd sp.s. c 1 s 221 (uncodified) is amended to
29 read as follows:

30 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

31	General Fund—State Appropriation (FY 2018)	((\$2,478,000))
32		<u>\$2,391,000</u>
33	General Fund—State Appropriation (FY 2019)	((\$2,525,000))
34		<u>\$2,440,000</u>
35	General Fund—Federal Appropriation	((\$25,276,00))
36		<u>\$25,282,000</u>
37	General Fund—Private/Local Appropriation	\$60,000
38	<u>Pension Funding Stabilization Account—State</u>	

1 are enacted by July 31, 2017, the amount provided in this subsection
2 shall lapse.

3 **Sec. 223.** 2017 3rd sp.s. c 1 s 223 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES**

6 The appropriations to the department of children, youth, and
7 families in this act shall be expended for the programs and in the
8 amounts specified in this act. To the extent that appropriations in
9 this section are insufficient to fund actual expenditures in excess
10 of caseload forecasts and utilization assumptions, the department,
11 after May 1, 2018, may transfer general fund—state appropriations for
12 fiscal year 2018 that are provided solely for a specified purpose.
13 The department may not transfer funds, and the director of the office
14 of financial management may not approve the transfer, unless the
15 transfer is consistent with the objective of conserving, to the
16 maximum extent possible, the expenditure of state funds. The director
17 of the office of financial management shall notify the appropriate
18 fiscal committees of the senate and house of representatives in
19 writing seven days prior to approving any allotment modifications or
20 transfers under this subsection. The written notification must
21 include a narrative explanation and justification of changes, along
22 with expenditures and allotments by budget unit and appropriation,
23 both before and after any allotment modifications and transfers.

24 (1) CHILDREN AND FAMILIES SERVICES PROGRAM

25 General Fund—State Appropriation (FY 2019).	((\$366,467,000))
26	<u>\$361,487,000</u>
27 General Fund—Federal Appropriation.	((\$236,770,000))
28	<u>\$245,959,000</u>
29 General Fund—Private/Local Appropriation.	\$1,477,000
30 Domestic Violence Prevention Account—State	
31 Appropriation.	\$1,002,000
32 <u>Pension Funding Stabilization Account—State</u>	
33 <u>Appropriation.</u>	<u>\$13,976,000</u>
34 TOTAL APPROPRIATION.	((\$605,716,000))
35	<u>\$623,901,000</u>

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

1 (a) \$748,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely to contract for the operation of one
3 pediatric interim care center. The center shall provide residential
4 care for up to thirteen children through two years of age. Seventy-
5 five percent of the children served by the center must be in need of
6 special care as a result of substance abuse by their mothers. The
7 center shall also provide on-site training to biological, adoptive,
8 or foster parents. The center shall provide at least three months of
9 consultation and support to the parents accepting placement of
10 children from the center. The center may recruit new and current
11 foster and adoptive parents for infants served by the center. The
12 department shall not require case management as a condition of the
13 contract.

14 (b) \$253,000 of the general fund—state appropriation for fiscal
15 year 2019 is provided solely for the costs of hub home foster
16 families that provide a foster care delivery model that includes a
17 licensed hub home. Use of the hub home model is intended to support
18 foster parent retention, improve child outcomes, and encourage the
19 least restrictive community placements for children in out-of-home
20 care.

21 (c) \$579,000 of the general fund—state appropriation for fiscal
22 year 2019 and \$55,000 of the general fund—federal appropriation are
23 provided solely for a receiving care center east of the Cascade
24 mountains.

25 (d) \$990,000 of the general fund—state appropriation for fiscal
26 year 2019 is provided solely for services provided through children's
27 advocacy centers.

28 (e) \$1,351,000 of the general fund—state appropriation for fiscal
29 year 2019 is provided solely for implementation of performance-based
30 contracts for family support and related services pursuant to RCW
31 74.13B.020.

32 (f) \$7,173,000 of the general fund—state appropriation for fiscal
33 year 2019 and \$6,022,000 of the general fund—federal appropriation
34 are provided solely for family assessment response.

35 (g) \$94,000 of the general fund—state appropriation for fiscal
36 year 2019 is provided solely for a contract with a child advocacy
37 center in Spokane to provide continuum of care services for children
38 who have experienced abuse or neglect and their families.

1 (h) \$2,933,000 of the general fund—state appropriation for fiscal
2 year 2019 and \$876,000 of the general fund—federal appropriation are
3 provided solely for the department to reduce the caseload ratios of
4 social workers serving children in foster care to promote decreased
5 lengths of stay and to make progress towards achievement of the Braam
6 settlement caseload outcome.

7 (i)(A) \$540,000 of the general fund—state appropriation for
8 fiscal year 2019, \$328,000 of the general fund private/local
9 appropriation, and \$126,000 of the general fund—federal appropriation
10 are provided solely for a contract with an educational advocacy
11 provider with expertise in foster care educational outreach. The
12 amounts in this subsection are provided solely for contracted
13 education coordinators to assist foster children in succeeding in
14 K-12 and higher education systems and to assure a focus on education
15 during the department's transition to performance-based contracts.
16 Funding must be prioritized to regions with high numbers of foster
17 care youth, or regions where backlogs of youth that have formerly
18 requested educational outreach services exist. The department is
19 encouraged to use private matching funds to maintain educational
20 advocacy services.

21 (B) The department shall contract with the office of the
22 superintendent of public instruction, which in turn shall contract
23 with a nongovernmental entity or entities to provide educational
24 advocacy services pursuant to RCW 28A.300.590.

25 (j) The department shall continue to implement policies to reduce
26 the percentage of parents requiring supervised visitation, including
27 clarification of the threshold for transition from supervised to
28 unsupervised visitation prior to reunification.

29 (k) \$111,000 of the general fund—state appropriation for fiscal
30 year 2019 and \$26,000 of the general fund—federal appropriation are
31 provided solely for a base rate increase for licensed family child
32 care providers. In addition, \$45,000 of the general fund—state
33 appropriation for fiscal year 2019 and \$11,000 of the general fund—
34 federal appropriation are provided solely for increasing paid
35 professional days from three days to five days for licensed family
36 child care providers. Amounts in this subsection are provided solely
37 for the 2017-2019 collective bargaining agreement covering family
38 child care providers as set forth in section 940 of this act. Amounts
39 provided in this subsection are contingent on the enactment of Senate

1 Bill No. 5969 (transparency in public employee collective
2 bargaining). If the bill is not enacted by July 31, 2017, the amounts
3 provided in this subsection (k) shall lapse.

4 (l) \$321,000 of the general fund—state appropriation for fiscal
5 year 2019 and \$133,000 of the general fund—federal appropriation are
6 provided solely to implement chapter 265, Laws of 2017 (SHB 1867)
7 (ext. foster care transitions).

8 (m) \$400,000 of the general fund—state appropriation for fiscal
9 year 2019 is provided solely for a contract with a national nonprofit
10 organization to, in partnership with private matching funds,
11 subcontract with a community organization for specialized, enhanced
12 adoption placement services for legally free children in state
13 custody. The contract must supplement, but not supplant, the work of
14 the department to secure permanent adoptive homes for children.

15 (n) \$375,000 of the general fund—state appropriation for fiscal
16 year 2019 and \$56,000 of the general fund—federal appropriation are
17 provided solely for the department to develop, implement, and expand
18 strategies to improve the capacity, reliability, and effectiveness of
19 contracted visitation services for children in temporary out-of-home
20 care and their parents and siblings. Strategies may include, but are
21 not limited to, increasing mileage reimbursement for providers,
22 offering transportation-only contract options, and mechanisms to
23 reduce the level of parent-child supervision when doing so is in the
24 best interest of the child. The department must submit an analysis of
25 the strategies and associated outcomes no later than October 1, 2018.

26 (o) (~~(\$3,600,000 of the general fund—state appropriation for~~
27 ~~fiscal year 2019 is provided solely for state supplemental payments~~
28 ~~for the state maintenance of effort requirement to qualify for~~
29 ~~medicaid federal financial participation.)) For purposes of meeting
30 the state's maintenance of effort for the state supplemental payment
31 program, the department of children, youth, and families shall track
32 and report to the department of social and health services the
33 monthly state supplemental payment amounts attributable to foster
34 care children who meet eligibility requirements specified in the
35 state supplemental payment state plan. Such expenditures must equal
36 at least \$3,100,000 annually and may not be claimed toward any other
37 federal maintenance of effort requirement. Annual state supplemental
38 payment expenditure targets must continue to be established by the
39 department of social and health services. Attributable amounts must~~

1 be communicated by the department of children, youth, and families to
2 the department of social and health services on a monthly basis.

3 (p) \$1,018,000 of the general fund—state appropriation for fiscal
4 year 2019 and \$195,000 of the general fund—federal appropriation are
5 provided solely for a six percent base rate increase for child care
6 center providers, effective September 1, 2017.

7 (q) \$1,230,000 of the general fund—state appropriation for fiscal
8 year 2019 and \$78,000 of the general fund—federal appropriation are
9 provided solely to increase the travel reimbursement for in-home
10 service providers.

11 (r) The department is encouraged to control exceptional
12 reimbursement decisions so that the child's needs are met without
13 excessive costs.

14 (s) \$1,342,000 of the general fund—state appropriation for fiscal
15 year 2019 and \$959,000 of the general fund—federal appropriation are
16 provided solely to implement Engrossed Substitute Senate Bill No.
17 5890 (foster care and adoption). Within the amounts provided in this
18 section, \$366,000 of the general fund—state appropriation for fiscal
19 year 2019 and \$174,000 of the general fund—federal appropriation are
20 provided solely for short-term care for licensed foster families. If
21 the bill is not enacted by July 31, 2017, the amounts provided in
22 this subsection shall lapse.

23 (t) \$197,000 of the general fund—state appropriation for fiscal
24 year 2019 is provided solely for the department to conduct biennial
25 inspections and certifications of facilities, both overnight and day
26 shelters, that serve those who are under 18 years old and are
27 homeless.

28 (u) The appropriations in this section include sufficient funding
29 for the department to operate emergent placement contracts. The
30 department shall not include the costs to operate emergent placement
31 contracts in the calculations for family foster home maintenance
32 payments.

33 (v) The appropriations in this section include sufficient funding
34 for the implementation of Second Substitute Senate Bill No. 6453
35 (kinship caregiver legal support).

36 (w) The appropriations in this section include sufficient funding
37 for the implementation of Substitute Senate Bill No. 6309 (family
38 assessment response).

1 (x) \$100,000 of the general fund—state appropriation for fiscal
 2 year 2019 is provided solely for implementation of Substitute Senate
 3 Bill No. 6013 (behavioral rehabilitation services). If the bill is
 4 not enacted by June 30, 2018, the amount provided in this subsection
 5 shall lapse.

6 (y) \$87,000 of the general fund—state appropriation for fiscal
 7 year 2019 and \$38,000 of the general fund—state appropriation are
 8 provided solely for implementation of Substitute Senate Bill No. 6222
 9 (extended foster care eligibility). If the bill is not enacted by
 10 June 30, 2018, the amount provided in this subsection shall lapse.

11 (z) \$600,000 of the general fund—state appropriation for fiscal
 12 year 2019 is provided solely for a community-based program that
 13 offers support and guidance to individuals aged seventeen to twenty-
 14 two who have been involved in foster care, juvenile justice, or
 15 mental health systems to assist them in making a successful
 16 transition to adulthood.

17 (aa) \$1,000,000 of the general fund—state appropriation for
 18 fiscal year 2019 is provided solely for domestic violence shelters,
 19 training and technical assistance for contracted agencies, and direct
 20 services for prevention.

21 (2) EARLY LEARNING PROGRAM

22	General Fund—State Appropriation (FY 2019)	. . . . .	((\$126,721,000))
23			\$128,070,000
24	General Fund—Federal Appropriation	. . . . .	\$148,179,000
25	Education Legacy Trust Account—State Appropriation	. . . . .	\$14,192,000
26	Home Visiting Services Account—State Appropriation	. . . . .	\$3,191,000
27	Home Visiting Services Account—Federal		
28	Appropriation	. . . . .	\$11,708,000
29	WA Opportunity Pathways Account—State Appropriation	. . . . .	\$40,000,000
30	<u>Pension Funding Stabilization Account—State</u>		
31	<u>Appropriation.</u>	. . . . .	\$468,000
32	TOTAL APPROPRIATION.	. . . . .	((\$343,991,000))
33			\$345,808,000

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

36 (a) \$67,938,000 of the general fund—state appropriation for
 37 fiscal year 2019, \$12,125,000 of the education legacy trust account—
 38 state appropriation, and \$40,000,000 of the opportunity pathways

1 account appropriation are provided solely for the early childhood
2 education and assistance program. These amounts shall support at
3 least 13,491 slots in fiscal year 2019.

4 (b) \$200,000 of the general fund—state appropriation for fiscal
5 year 2019 is provided solely to develop and provide culturally
6 relevant supports for parents, family, and other caregivers.

7 (c) The department is the lead agency for and recipient of the
8 federal child care and development fund grant. Amounts within this
9 grant shall be used to fund child care licensing, quality
10 initiatives, agency administration, and other costs associated with
11 child care subsidies. The department shall transfer a portion of this
12 grant to the department of social and health services to fund the
13 child care subsidies paid by the department of social and health
14 services on behalf of the department.

15 (d)(i) \$76,650,000 of the general fund—federal appropriation is
16 provided solely for the working connections child care program under
17 RCW 43.215.135. In order to not exceed the appropriated amount, the
18 department shall manage the program so that the average monthly
19 caseload does not exceed 33,000 households. The department shall give
20 prioritized access into the program according to the following order:

21 (A) Families applying for or receiving temporary assistance for
22 needy families (TANF);

23 (B) TANF families curing sanction;

24 (C) Foster children;

25 (D) Families that include a child with special needs;

26 (E) Families in which a parent of a child in care is a minor who
27 is not living with a parent or guardian and who is a full-time
28 student in a high school that has a school-sponsored on-site child
29 care center;

30 (F) Families with a child residing with a biological parent or
31 guardian who have received child protective services, child welfare
32 services, or a family assessment response from the department in the
33 past six months, and has received a referral for child care as part
34 of the family's case management;

35 (G) Families that received subsidies within the last thirty days
36 and:

37 (I) Have reapplied for subsidies; and

38 (II) Have household income of two hundred percent federal poverty
39 level or below; and

40 (H) All other eligible families.

1 (ii) The department, in collaboration with the department of
2 social and health services, must submit a final report by December 1,
3 2018, to the governor and the appropriate fiscal and policy
4 committees of the legislature on quality control measures for the
5 working connections child care program. The report must include:

6 (A) A detailed narrative of the procurement and implementation of
7 an improved time and attendance system, including a detailed
8 accounting of the costs of procurement and implementation;

9 (B) A comprehensive description of all processes, including
10 computer algorithms and additional rule development, that the
11 department and the department of social and health services plan to
12 establish prior to and after full implementation of the time and
13 attendance system. At a minimum, processes must be designed to:

14 (I) Ensure the department's auditing efforts are informed by
15 regular and continuous alerts of the potential for overpayments;

16 (II) Avoid overpayments to the maximum extent possible and
17 expediently recover overpayments that have occurred;

18 (III) Withhold payment from providers when necessary to
19 incentivize receipt of the necessary documentation to complete an
20 audit;

21 (IV) Establish methods for reducing future payments or
22 establishing repayment plans in order to recover any overpayments;

23 (V) Sanction providers, including termination of eligibility, who
24 commit intentional program violations or fail to comply with program
25 requirements, including compliance with any established repayment
26 plans; and

27 (VI) Consider pursuit of prosecution in cases with fraudulent
28 activity; and

29 (C) A description of the process by which fraud is identified and
30 how fraud investigations are prioritized and expedited.

31 (iii) Beginning July 1, 2018, and annually thereafter, the
32 department, in collaboration with the department of social and health
33 services, must report to the governor and the appropriate fiscal and
34 policy committees of the legislature on the status of overpayments in
35 the working connections child care program. The report must include
36 the following information for the previous fiscal year:

37 (A) A summary of the number of overpayments that occurred;

38 (B) The reason for each overpayment;

39 (C) The total cost of overpayments;

1 (D) A comparison to overpayments that occurred in the past two
2 preceding fiscal years; and

3 (E) Any planned modifications to internal processes that will
4 take place in the coming fiscal year to further reduce the occurrence
5 of overpayments.

6 (e) Within available amounts, the department in consultation with
7 the office of financial management and the department of social and
8 health services shall report enrollments and active caseload for the
9 working connections child care program to the legislative fiscal
10 committees and the legislative-executive WorkFirst oversight task
11 force on an agreed upon schedule. The report shall also identify the
12 number of cases participating in both temporary assistance for needy
13 families and working connections child care. The department must also
14 report on the number of children served through contracted slots.

15 (f) \$1,560,000 of the general fund—state appropriation for fiscal
16 year 2019 and \$6,712,000 of the general fund—federal appropriation
17 are provided solely for the seasonal child care program. If federal
18 sequestration cuts are realized, cuts to the seasonal child care
19 program must be proportional to other federal reductions made within
20 the department.

21 (g) (~~(\$2,522,000)~~) \$4,674,000 of the general fund—state
22 appropriation for fiscal year 2019 is provided solely for the early
23 childhood intervention prevention services (ECLIPSE) program. The
24 department shall contract for ECLIPSE services to provide therapeutic
25 child care and other specialized treatment services to abused,
26 neglected, at-risk, and/or drug-affected children. The department
27 shall ensure that contracted providers pursue receipt of federal
28 funding associated with the early support for infants and toddlers
29 program. Priority for services shall be given to children referred
30 from the department.

31 (h) \$45,359,000 of the general fund—state appropriation for
32 fiscal year 2019 and \$13,954,000 of the general fund—federal
33 appropriation are provided solely to maintain the requirements set
34 forth in chapter 7, Laws of 2015, 3rd sp. sess. The department shall
35 place a ten percent administrative overhead cap on any contract
36 entered into with the University of Washington. In its annual report
37 to the governor and the legislature, the department shall report the
38 total amount of funds spent on the quality rating and improvements
39 system and the total amount of funds spent on degree incentives,

1 scholarships, and tuition reimbursements. Of the amounts provided in
2 this subsection (h), \$577,000 of the general fund—state appropriation
3 for fiscal year 2019 is provided solely for a six percent base rate
4 increase for child care center providers.

5 (i) \$1,728,000 of the general fund—state appropriation for fiscal
6 year 2019 is provided solely for reducing barriers for low-income
7 providers to participate in the early achievers program.

8 (j) \$300,000 of the general fund—state appropriation for fiscal
9 year 2019 is provided solely for a contract with a nonprofit entity
10 experienced in the provision of promoting early literacy for children
11 through pediatric office visits.

12 (k) \$2,000,000 of the education legacy trust account—state
13 appropriation is provided solely for early intervention assessment
14 and services.

15 (l) \$3,445,000 of the general fund—federal appropriation for
16 fiscal year 2019 is provided solely for the department to procure a
17 time and attendance system and are subject to the conditions,
18 limitations, and review provided in section 724 of this act.

19 (m) Information technology projects or investments and proposed
20 projects or investments impacting time capture, payroll and payment
21 processes and systems, eligibility, case management and authorization
22 systems within the department are subject to technical oversight by
23 the office of the chief information officer. The department must
24 collaborate with the office of the chief information officer to
25 develop a strategic business and technology architecture plan for a
26 child care attendance and billing system that supports a statewide
27 architecture.

28 (n)(i)(A) The department is required to provide to the education
29 research and data center, housed at the office of financial
30 management, data on all state-funded early childhood programs. These
31 programs include the early support for infants and toddlers, early
32 childhood education and assistance program (ECEAP), and the working
33 connections and seasonal subsidized childcare programs including
34 license exempt facilities or family, friend, and neighbor care. The
35 data provided by the department to the education research data center
36 must include information on children who participate in these
37 programs, including their name and date of birth, and dates the child
38 received services at a particular facility.

1 (B) ECEAP early learning professionals must enter any new
2 qualifications into the department's professional development
3 registry starting in the 2015-16 school year, and every school year
4 thereafter. By October 2017, and every October thereafter, the
5 department must provide updated ECEAP early learning professional
6 data to the education research data center.

7 (C) The department must request federally funded head start
8 programs to voluntarily provide data to the department and the
9 education research data center that is equivalent to what is being
10 provided for state-funded programs.

11 (D) The education research and data center must provide an
12 updated report on early childhood program participation and K-12
13 outcomes to the house of representatives appropriations committee and
14 the senate ways and means committee using available data by March
15 2018 for the school year ending in 2017.

16 (ii) The department, in consultation with the department of
17 social and health services, must withhold payment for services to
18 early childhood programs that do not report on the name, date of
19 birth, and the dates a child received services at a particular
20 facility.

21 (o) The department shall work with state and local law
22 enforcement, federally recognized tribal governments, and tribal law
23 enforcement to develop a process for expediting fingerprinting and
24 data collection necessary to conduct background checks for tribal
25 early learning and child care providers.

26 (p) \$2,651,000 of the general fund—state appropriation for fiscal
27 year 2019 is provided solely for the 2017-2019 collective bargaining
28 agreement covering family child care providers as set forth in
29 section 940 of this act. Amounts provided in this subsection (p) are
30 contingent upon the enactment of Senate Bill No. 5969 (transparency
31 in public employee collective bargaining). If the bill is not enacted
32 by July 31, 2017, the amount provided in this subsection shall lapse.
33 Of the amounts provided in this subsection:

34 (i) \$273,000 is for a base rate increase;

35 (ii) \$55,000 is for increasing paid professional development days
36 from three days to five days;

37 (iii) \$1,708,000 is for the family child care providers 501(c)(3)
38 organization for the substitute pool, training and quality
39 improvement support services, and administration;

40 (iv) \$114,000 is for increasing licensing incentive payments; and

1 (v) \$500,000 is for needs based grants.

2 (q) \$175,000 of the general fund—state appropriation for fiscal
3 year 2019 is provided solely for the department to contract with a
4 nonprofit entity that provides quality improvement services to
5 participants in the early achievers program to implement a community-
6 based training module that supports licensed child care providers who
7 have been rated in early achievers and who are specifically
8 interested in serving children in the early childhood education and
9 assistance program. The module must be functionally translated into
10 Spanish and Somali. The module must prepare trainees to administer
11 all aspects of the early childhood education and assistance program
12 for eligible children in their licensed program and must be offered
13 to 105 child care providers to serve children eligible for the early
14 childhood education and assistance program by June 30, 2019.

15 (r) \$219,000 of the general fund—state appropriation for fiscal
16 year 2019 is provided solely for implementation of chapter 236, Laws
17 of 2017 (SHB 1445) (dual language in early learning & K-12).

18 (s) \$100,000 of the general fund—state appropriation for fiscal
19 year 2019 is provided solely for implementation of chapter 202, Laws
20 of 2017 (E2SHB 1713) (children's mental health).

21 (t) \$317,000 of the general fund—state appropriation for fiscal
22 year 2019 are provided solely for implementation of chapter 162, Laws
23 of 2017 (SSB 5357) (outdoor early learning programs).

24 (3) PROGRAM SUPPORT

25	General Fund—State Appropriation (FY 2019)	. . . . .	\$50,448,000
26	General Fund—Federal Appropriation.	. . . . .	\$15,928,000
27	TOTAL APPROPRIATION.	. . . . .	\$66,376,000

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

30 (a) The appropriations provided in this subsection are provided
31 solely for implementation of Engrossed Second Substitute House Bill
32 No. 1661 (child, youth, families department). If the bill is not
33 enacted by July 31, 2017, the amount provided in this subsection
34 shall lapse.

35 (b)(i) During the 2017-2019 fiscal biennium, the department must
36 revise its agreements and contracts with vendors to include a
37 provision to require that each vendor agrees to equality among its
38 workers by ensuring similarly employed individuals are compensated as
39 equals as follows:

1 (A) Employees are similarly employed if the individuals work for
2 the same employer, the performance of the job requires comparable
3 skill, effort, and responsibility, and the jobs are performed under
4 similar working conditions. Job titles alone are not determinative of
5 whether employees are similarly employed;

6 (B) Vendors may allow differentials in compensation for its
7 workers based in good faith on any of the following:

8 (I) A seniority system; a merit system; a system that measures
9 earnings by quantity or quality of production; a bona fide job-
10 related factor or factors; or a bona fide regional difference in
11 compensation levels.

12 (II) A bona fide job-related factor or factors may include, but
13 not be limited to, education, training, or experience, that is:
14 Consistent with business necessity; not based on or derived from a
15 gender-based differential; and accounts for the entire differential.

16 (III) A bona fide regional difference in compensation level must
17 be: Consistent with business necessity; not based on or derived from
18 a gender-based differential; and account for the entire differential.

19 (ii) The provision must allow for the termination of the contract
20 if the department or department of enterprise services determines
21 that the vendor is not in compliance with this agreement or contract
22 term.

23 (iii) The department must implement this provision with any new
24 contract and at the time of renewal of any existing contract.

PART III
NATURAL RESOURCES

Sec. 301. 2017 3rd sp.s. c 1 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund—State Appropriation (FY 2018)	(\$485,000)
	<u>\$462,000</u>
General Fund—State Appropriation (FY 2019)	(\$507,000)
	<u>\$483,000</u>
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	(\$960,000)
	<u>\$959,000</u>
<u>Pension Funding Stabilization Account—State</u>	
Appropriation	\$46,000
TOTAL APPROPRIATION	(\$1,984,000)
	<u>\$1,982,000</u>

Sec. 302. 2017 3rd sp.s. c 1 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund—State Appropriation (FY 2018)	(\$20,877,000)
	<u>\$19,627,000</u>
General Fund—State Appropriation (FY 2019)	(\$21,411,000)
	<u>\$21,887,000</u>
General Fund—Federal Appropriation	\$106,575,000
General Fund—Private/Local Appropriation	\$23,028,000
Reclamation Account—State Appropriation	\$4,106,000
Flood Control Assistance Account—State Appropriation	(\$2,175,000)
	<u>\$4,175,000</u>
State Emergency Water Projects Revolving Account—State	
Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control—State	
Appropriation	(\$13,736,000)
	<u>\$13,744,000</u>
State Drought Preparedness Account—State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water	
Supply Facilities)—State Appropriation	\$164,000
Aquatic Algae Control Account—State Appropriation	\$522,000

1	Water Rights Tracking System Account—State Appropriation . . .	\$47,000
2	Site Closure Account—State Appropriation	\$582,000
3	Wood Stove Education and Enforcement Account—State	
4	Appropriation	\$560,000
5	Worker and Community Right-to-Know Account—State	
6	Appropriation	\$1,872,000
7	Water Rights Processing Account—State Appropriation	\$39,000
8	State Toxics Control Account—State Appropriation	(\$147,806,000)
9		<u>\$148,029,000</u>
10	State Toxics Control Account—Private/Local	
11	Appropriation	\$499,000
12	Local Toxics Control Account—State Appropriation	(\$4,845,000)
13		<u>\$4,849,000</u>
14	Water Quality Permit Account—State Appropriation	(\$44,119,000)
15		<u>\$44,165,000</u>
16	Underground Storage Tank Account—State Appropriation	(\$3,635,000)
17		<u>\$3,639,000</u>
18	Biosolids Permit Account—State Appropriation	\$2,207,000
19	Environmental Legacy Stewardship Account—State	
20	Appropriation	(\$41,259,000)
21		<u>\$41,287,000</u>
22	Hazardous Waste Assistance Account—State	
23	Appropriation	(\$6,466,000)
24		<u>\$6,473,000</u>
25	Radioactive Mixed Waste Account—State Appropriation	(\$18,170,000)
26		<u>\$18,336,000</u>
27	Air Pollution Control Account—State Appropriation	(\$3,437,000)
28		<u>\$3,442,000</u>
29	Oil Spill Prevention Account—State Appropriation	(\$8,469,000)
30		<u>\$8,478,000</u>
31	Air Operating Permit Account—State Appropriation	(\$3,787,000)
32		<u>\$3,792,000</u>
33	Freshwater Aquatic Weeds Account—State Appropriation	\$1,460,000
34	Oil Spill Response Account—State Appropriation	\$7,076,000
35	<u>Pension Funding Stabilization Account—State</u>	
36	<u>Appropriation.</u>	<u>\$2,924,000</u>
37	Water Pollution Control Revolving Administration	
38	Account—State Appropriation	\$3,601,000
39	TOTAL APPROPRIATION.	(\$492,774,000)

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

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

~~((+3))~~ (2) \$15,000,000 of the general fund—state appropriation for fiscal year 2018 and \$15,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for activities within the water resources program.

~~((+4))~~ (3) \$228,000 of the general fund—state appropriation for fiscal year 2018 and \$227,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to grant to the northwest straits commission to distribute equally among the seven Puget Sound marine resource committees.

~~((+5))~~ (4) Within existing resources, the department of ecology must engage stakeholders in a revision of WSR 13-22-073, rule amendments to chapter 173-350 WAC, to revise the proposed rule and submit a report to the senate local government and energy, environment, and telecommunications committees and the house of representatives local government and environment committees by September 1, 2017. The report must include a summary of areas of consensus and dispute, proposed resolution of disputes, a list of engaged stakeholders, a proposed timeline for potential rule adoption, and the most recent draft of proposed amendment language, if any.

(5) \$11,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementing Substitute Senate Bill No. 6055 (apple maggot/outdoor burning). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(6) \$190,000 of the general fund—state appropriation for fiscal year 2018, \$1,707,000 of the general fund—state appropriation for fiscal year 2019, and \$2,000,000 of the flood control assistance account—state appropriation are provided solely for the department to implement chapter 1, Laws of 2018 (Engrossed Substitute Senate Bill No. 6091, water availability).

1 (1) \$129,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$129,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for a grant for the operation of
4 the Northwest weather and avalanche center.

5 (2) \$100,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$100,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for the commission to pay
8 assessments charged by local improvement districts.

9 (3) \$700,000 of the parks renewal and stewardship account—state
10 appropriation is provided solely for the commission to replace 32
11 existing automated pay stations and to install 38 additional
12 automated pay stations within state parks.

13 ~~(4) ((\$500,000 of the outdoor education and recreation account—~~
14 ~~state appropriation is provided solely for the commission to partner~~
15 ~~with organizations that have at least one veteran on staff in~~
16 ~~implementation of the no child left inside program.~~

17 (+5)) \$50,000 of the recreation access pass account—state
18 appropriation is provided solely for the commission, using its
19 authority under RCW 79A.05.055(3) and in partnership with the
20 department of fish and wildlife and the department of natural
21 resources, to coordinate a process to develop options and
22 recommendations to improve consistency, equity, and simplicity in
23 recreational access fee systems while accounting for the fiscal
24 health and stability of public land management. The process must be
25 collaborative and include other relevant agencies and appropriate
26 stakeholders. The commission must contract with the William D.
27 Ruckelshaus Center or another neutral third party to facilitate
28 meetings and discussions with parties involved in the process and
29 provide a report to the appropriate committees of the legislature by
30 December 1, 2017. The process must analyze and make recommendations
31 on:

32 (a) Opportunities for federal and state recreational permit fee
33 coordination, including the potential for developing a system that
34 allows a single pass to provide access to federal and state lands;

35 (b) Opportunities to enhance consistency in the way state and
36 federal recreational access fees apply to various types of
37 recreational users, including those that travel to public lands by
38 motor vehicle, boat, bicycle, foot, or another method; and

1 (c) Opportunities to develop a comprehensive and consistent
 2 statewide approach to recreational fee discounts and exemptions to
 3 social and other groups including, but not limited to, disabled
 4 persons, seniors, disabled veterans, foster families, low-income
 5 residents, and volunteers. This analysis must examine the cost of
 6 such a program, and should consider how recreational fee discounts
 7 fit into the broader set of benefits provided by the state to these
 8 social groups. This includes a review of the efficacy, purpose, and
 9 cost of existing recreational fee discounts and exemptions, as well
 10 as opportunities for new or modified social group discounts and
 11 exemptions. The department of veterans affairs and the department of
 12 social and health services must be included in this portion of the
 13 process.

14 (5) \$100,000 of the general fund—state appropriation for fiscal
 15 year 2019 is provided solely for the commission to carry out forest
 16 health related activities at the Squilchuck state park.

17 **Sec. 304.** 2017 3rd sp.s. c 1 s 304 (uncodified) is amended to
 18 read as follows:

19 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

20	General Fund—State Appropriation (FY 2018)	. . . . .	((\$1,441,000))
21			<u>\$1,401,000</u>
22	General Fund—State Appropriation (FY 2019)	. . . . .	((\$1,398,000))
23			<u>\$1,358,000</u>
24	General Fund—Federal Appropriation	. . . . .	\$3,646,000
25	General Fund—Private/Local Appropriation	. . . . .	\$24,000
26	Aquatic Lands Enhancement Account—State Appropriation	. . .	\$495,000
27	Firearms Range Account—State Appropriation	. . . . .	\$37,000
28	Recreation Resources Account—State Appropriation	. . .	((\$3,615,000))
29			<u>\$3,614,000</u>
30	NOVA Program Account—State Appropriation	. . . . .	\$1,054,000
31	<u>Pension Funding Stabilization Account—State</u>		
32	<u>Appropriation.</u>	. . . . .	<u>\$80,000</u>
33	TOTAL APPROPRIATION.	. . . . .	((\$11,710,000))
34			<u>\$11,709,000</u>

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

37 (1) \$156,000 of the general fund—state appropriation for fiscal
 38 year 2018 and \$156,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the board to grant to the
2 Nisqually River Foundation for implementation of the Nisqually
3 watershed stewardship plan.

4 (2) \$375,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$375,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the salmon recovery funding
7 board to grant to the Hood Canal coordinating council for the sole
8 purpose of conducting an ecosystem impact assessment on the Hood
9 Canal. The assessment is to study any causal relationship between the
10 Hood Canal bridge and migrating steelhead and salmon.

11 **Sec. 305.** 2017 3rd sp.s. c 1 s 305 (uncodified) is amended to
12 read as follows:

13 **FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**

14	General Fund—State Appropriation (FY 2018)	. . . . .	((\$2,318,000))
15			<u>\$2,190,000</u>
16	General Fund—State Appropriation (FY 2019)	. . . . .	((\$2,375,000))
17			<u>\$2,247,000</u>
18	<u>Pension Funding Stabilization Account—State</u>		
19	<u>Appropriation.</u>	. . . . .	\$255,000
20	TOTAL APPROPRIATION.	. . . . .	((\$4,693,000))
21			<u>\$4,692,000</u>

22 **Sec. 306.** 2017 3rd sp.s. c 1 s 306 (uncodified) is amended to
23 read as follows:

24 **FOR THE CONSERVATION COMMISSION**

25	General Fund—State Appropriation (FY 2018)	. . . . .	((\$7,301,000))
26			<u>\$7,174,000</u>
27	General Fund—State Appropriation (FY 2019)	. . . . .	((\$7,264,000))
28			<u>\$7,136,000</u>
29	General Fund—Federal Appropriation	. . . . .	\$2,301,000
30	Public Works Assistance Account—State Appropriation.	. . . . .	\$7,620,000
31	State Toxics Control Account—State Appropriation	. . . . .	\$1,000,000
32	<u>Pension Funding Stabilization Account—State</u>		
33	<u>Appropriation.</u>	. . . . .	\$254,000
34	TOTAL APPROPRIATION.	. . . . .	((\$25,486,000))
35			<u>\$25,485,000</u>

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

1 (1) \$7,602,000 of the public works assistance account—state
2 appropriation is provided solely for implementation of the voluntary
3 stewardship program. This amount may not be used to fund agency
4 indirect and administrative expenses.

5 (2)(a) \$50,000 of the general fund—state appropriation for fiscal
6 year 2018 is provided solely for the commission to convene and
7 facilitate a food policy forum. The director of the commission is
8 responsible for appointing participating members of the food policy
9 forum in consultation with the director of the department of
10 agriculture. In making appointments, the director of the commission
11 must attempt to ensure a diversity of knowledge, experience, and
12 perspectives by building on the representation established by the
13 food system roundtable initiated by executive order No. 10-02.

14 (b) In addition to members appointed by the director of the state
15 conservation commission, four legislators may serve on the food
16 policy forum in an ex officio capacity. Legislative participants must
17 be appointed as follows:

18 (i) The speaker of the house of representatives shall appoint one
19 member from each of the two largest caucuses of the house of
20 representatives; and

21 (ii) The president of the senate shall appoint one member from
22 each of the two largest caucuses of the senate.

23 (c) The commission shall coordinate with the office of farmland
24 preservation and the department of agriculture to avoid duplication
25 of effort. The commission must report to the appropriate committees
26 of the legislature, consistent with RCW 43.01.036, with the forum's
27 recommendations by October 31, 2018.

28 (3) \$375,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$375,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for grants and technical
31 assistance. Of the amounts provided in this subsection, \$125,000 in
32 each fiscal year is provided solely for activities related to water
33 quality improvements and fecal coliform DNA speciation statewide.

34 **Sec. 307.** 2017 3rd sp.s. c 1 s 307 (uncodified) is amended to
35 read as follows:

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

37 General Fund—State Appropriation (FY 2018) (~~(\$46,860,000)~~)
38 \$44,727,000

1	General Fund—State Appropriation (FY 2019)	((\$46,483,000))
2		<u>\$46,245,000</u>
3	General Fund—Federal Appropriation	((\$118,809,000))
4		<u>\$121,076,000</u>
5	General Fund—Private/Local Appropriation	((\$63,920,000))
6		<u>\$63,988,000</u>
7	ORV and Nonhighway Vehicle Account—State Appropriation .	((\$437,000))
8		<u>\$699,000</u>
9	Aquatic Lands Enhancement Account—State	
10	Appropriation	\$10,460,000
11	Recreational Fisheries Enhancement—State	
12	Appropriation	((\$3,084,000))
13		<u>\$3,122,000</u>
14	Warm Water Game Fish Account—State Appropriation . . .	((\$2,773,000))
15		<u>\$2,668,000</u>
16	Eastern Washington Pheasant Enhancement Account—State	
17	Appropriation	\$675,000
18	State Wildlife Account—State Appropriation	((\$118,033,000))
19		<u>\$117,903,000</u>
20	Special Wildlife Account—State Appropriation	((\$71,000))
21		<u>\$3,234,000</u>
22	Special Wildlife Account—Federal Appropriation	\$505,000
23	Special Wildlife Account—Private/Local Appropriation . . .	\$3,576,000
24	Wildlife Rehabilitation Account—State Appropriation	\$361,000
25	Ballast Water <u>and Biofouling</u> Management Account—State Appropriation	
26	\$10,000	
27	Hydraulic Project Approval Account—State Appropriation .	((\$690,000))
28		<u>\$31,000</u>
29	Environmental Legacy Stewardship Account—State	
30	Appropriation	\$2,765,000
31	Regional Fisheries Enhancement Salmonid Recovery Account—	
32	Federal Appropriation	\$5,001,000
33	Oil Spill Prevention Account—State Appropriation	\$1,122,000
34	Oyster Reserve Land Account—State Appropriation	\$527,000
35	Performance Audits of Government Account—State	
36	Appropriation.	\$325,000
37	Aquatic Invasive Species Management Account—State	
38	Appropriation.	\$1,658,000
39	<u>Pension Funding Stabilization Account—State</u>	

1	<u>Appropriation.</u>	<u>\$5,178,000</u>
2	TOTAL APPROPRIATION.	((\$428,145,000))
3		<u>\$435,856,000</u>

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

6 (1) ((~~\$467,000~~)) \$67,000 of the general fund—state appropriation
7 for fiscal year 2018 and \$467,000 of the general fund—state
8 appropriation for fiscal year 2019 are provided solely to pay for
9 emergency fire suppression costs. These amounts may not be used to
10 fund agency indirect and administrative expenses.

11 (2) ((~~\$1,098,000~~)) \$1,126,000 of the general fund—state
12 appropriation for fiscal year 2018 and ((~~\$1,098,000~~)) \$1,126,000 of
13 the general fund—state appropriation for fiscal year 2019 are
14 provided solely for payments in lieu of real property taxes to
15 counties that elect to receive the payments for department-owned game
16 lands within the county.

17 (3) \$415,000 of the general fund—state appropriation for fiscal
18 year 2018, \$415,000 of the general fund—state appropriation for
19 fiscal year 2019, and \$440,000 of the general fund—federal
20 appropriation are provided solely for county assessments.

21 (4)(a) Prior to submitting its 2019-2021 biennial operating and
22 capital budget requests related to state fish hatcheries to the
23 office of financial management, the department shall contract with
24 the hatchery scientific review group (HSRG) to review the proposed
25 requests. This review shall: ((~~(a)~~)) (i) Determine if the proposed
26 requests are consistent with HSRG recommendations; ((~~(b)~~)) (ii)
27 prioritize the components of the requests based on their
28 contributions to protecting wild salmonid stocks and meeting the
29 recommendations of the HSRG; and ((~~(c)~~)) (iii) evaluate whether the
30 proposed requests are being made in the most cost-effective manner.
31 The department shall provide a copy of the HSRG review to the office
32 of financial management with its agency budget proposal.

33 (b) The department shall contract with the hatchery scientific
34 review group (HSRG) to create a prioritized list of actions that are
35 needed to recover salmon, including what types of actions to take and
36 how best to conduct them. The list should also include the role
37 hatcheries should play in salmon recovery, specifically hatchery
38 locations that are providing positive outcomes, those producing
39 negative outcomes, and locations within the state where new

1 hatcheries may be beneficial. The prioritized list shall be provided
2 to the appropriate committees of the legislature by December 1, 2018.

3 (5) \$400,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$400,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for a state match to support the
6 Puget Sound nearshore partnership between the department and the
7 United States army corps of engineers. Prior to implementation of any
8 Puget Sound nearshore ecosystem restoration projects in Whatcom
9 county, the department must consult with and seek, to the maximum
10 extent practicable, consensus on those projects among appropriate
11 landowners, federally recognized Indian tribes, agencies, and
12 community and interest groups.

13 (6) Within the amounts appropriated in this section, the
14 department shall identify additional opportunities for partnerships
15 in order to keep fish hatcheries operational. Such partnerships shall
16 aim to maintain fish production and salmon recovery with less
17 reliance on state operating funds.

18 (7) \$525,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$425,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for training for a work unit to
21 engage and empower diverse stakeholders in decisions about fish and
22 wildlife, ((and)) the continued conflict transformation with the wolf
23 advisory group. The department shall cooperate with the department of
24 agriculture to shift the responsibility of implementing cost-sharing
25 contracts with livestock producers to use nonlethal actions to
26 minimize livestock loss from wolves and other carnivores to the
27 department of agriculture.

28 (8) \$1,259,000 of the state wildlife account—state appropriation
29 is provided solely for the fish program, including implementation of
30 Substitute House Bill No. 1597 (commercial fishing). If the bill is
31 not enacted by July 31, 2017, the amount provided in this subsection
32 shall lapse.

33 (9) \$1,630,000 of the aquatic invasive species management
34 account, \$600,000 of the general fund—federal appropriation, \$62,000
35 of the state wildlife account—state appropriation, and \$10,000 of the
36 ballast water management account—state appropriation are provided
37 solely for activities related to aquatic invasive species, including
38 implementation of Substitute House Bill No. 1429 or Substitute Senate
39 Bill No. 5303 (aquatic invasive species). If neither bill is enacted

1 by July 31, 2017, the amounts provided in this subsection shall
2 lapse.

3 (10) Within amounts provided in this section, the department must
4 consult with affected tribes and landowners in Skagit county to
5 develop and implement a plan designed to address elk-related
6 agricultural damage and vehicular collisions by using all available
7 and appropriate methods including, but not limited to, cooperative
8 fencing projects and harvest in order to minimize elk numbers on
9 private lands and maximize the number of elk located on state and
10 federal lands. The plan must be implemented by September 1, 2018.

11 (11) Within the appropriations of this section, the department
12 shall initiate outreach with recreational fishing stakeholders so
13 that recreational fishing guide and non-guided angler data can be
14 collected and analyzed to evaluate changes in the structure of guide
15 licensing, with the objectives of: (a) Improving the fishing
16 experience and ensuring equitable opportunity for both guided and
17 non-guided river anglers, (b) managing fishing pressure to protect
18 wild steelhead and other species; and (c) ensuring that recreational
19 fish guiding remains a sustainable economic contributor to rural
20 economies. The department shall convene public meetings in the North
21 Olympic Peninsula and Klickitat River areas, and may include other
22 areas of the state, and shall provide the appropriate standing
23 committees of the legislature a summary of its findings, by December
24 31, 2017.

25 (12) \$450,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$450,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for the department to grant to
28 the regional fisheries enhancement groups.

29 (13)(a) \$5,500,000 of the general fund—state appropriation for
30 fiscal year 2018, \$5,500,000 of the general fund—state appropriation
31 for fiscal year 2019, and \$325,000 of the performance audits of
32 government account—state appropriation are provided solely as one-
33 time funding to support the department in response to its budget
34 shortfall. In order to address this shortfall on a long-term basis,
35 the department must develop a plan for balancing projected revenue
36 and expenditures and improving the efficiency and effectiveness of
37 agency operations, including:

38 (i) Expenditure reduction options that maximize administrative
39 and organizational efficiencies and savings, while avoiding hatchery

1 closures and minimizing impacts to fisheries and hunting
2 opportunities; and

3 (ii) Additional revenue options and an associated outreach plan
4 designed to ensure that the public, stakeholders, the commission, and
5 legislators have the opportunity to understand and impact the design
6 of the revenue options.

7 (iii) The range of options created under (a)(i) and (ii) of this
8 subsection must be prioritized by impact on achieving financial
9 stability, impact on the public and fisheries and hunting
10 opportunities, and on timeliness and ability to achieve intended
11 outcomes.

12 (b) In consultation with the office of financial management, the
13 department must consult with an outside management consultant to
14 evaluate and implement efficiencies to the agency's operations and
15 management practices. Specific areas of evaluation must include:

16 (i) Potential inconsistencies and increased costs associated with
17 the decentralized nature of organizational authority and operations;

18 (ii) The department's budgeting and accounting processes,
19 including work done at the central, program, and region levels, with
20 specific focus on efficiencies to be gained by centralized budget
21 control;

22 (iii) Executive management, program management, and regional
23 management structures, specifically addressing accountability.

24 (c) In carrying out these planning requirements, the department
25 must provide quarterly updates to the commission, office of financial
26 management, and appropriate legislative committees. The department
27 must provide a final summary of its process and plan by (~~May~~)
28 September 1, 2018.

29 (d) The department, in cooperation with the office of financial
30 management shall conduct a zero-based budget review of its operating
31 budget and activities to be submitted with the department's 2019-2021
32 biennial budget submittal. Information and analysis submitted by the
33 department for the zero-based review under this subsection shall
34 include:

35 (i) A statement of the statutory basis or other basis for the
36 creation of each program and the history of each program that is
37 being reviewed;

38 (ii) A description of how each program fits within the strategic
39 plan and goals of the agency and an analysis of the quantified
40 objectives of each program within the agency;

1 (iii) Any available performance measures indicating the
2 effectiveness and efficiency of each program;

3 (iv) A description with supporting cost and staffing data of each
4 program and the populations served by each program, and the level of
5 funding and staff required to accomplish the goals of the program if
6 different than the actual maintenance level;

7 (v) An analysis of the major costs and benefits of operating each
8 program and the rationale for specific expenditure and staffing
9 levels;

10 (vi) An analysis estimating each program's administrative and
11 other overhead costs;

12 (vii) An analysis of the levels of services provided; and

13 (viii) An analysis estimating the amount of funds or benefits
14 that actually reach the intended recipients.

15 (14) \$373,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$417,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for the department to complete
18 the third and final phase of the Puget Sound steelhead research
19 project.

20 (15) \$100,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$400,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for the department to add a
23 veterinarian, microbiologist, and make laboratory upgrades to ensure
24 the hatchery program complies with recent changes in water quality
25 and health laws.

26 (16) \$726,000 of the general fund—state appropriation for fiscal
27 year 2019 is appropriated for the department to increase hatchery
28 production of key prey species fish throughout the Puget Sound,
29 coast, and Columbia river. The department shall work with the
30 governor, federal partners, tribal co-managers, the hatchery
31 scientific review group, and other interested parties to develop a
32 biennial hatchery production plan by December 31, 2018, that will:
33 (a) Identify, within hatchery standards and endangered species act
34 constraints, hatchery programs and specific facilities to contribute
35 to the dietary needs of orca whales; (b) consider prey species
36 preferences and migratory patterns of orca whales; and (c) include
37 adaptive management provisions to ensure the conservation and
38 enhancement of wild stocks. The final plan will be reviewed by the

1 hatchery scientific review group and submitted to the appropriate
2 committees of the legislature by December 31, 2018.

3 (17) \$580,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for the department to assist the
5 department of ecology in implementing chapter 1, Laws of 2018,
6 (Engrossed Substitute Senate Bill No. 6091, water availability).

7 (18) \$55,000 of the state wildlife account—state appropriation is
8 provided solely for implementing the provisions of Engrossed
9 Substitute Senate Bill No. 6127 (halibut fishery). If the bill is not
10 enacted by June 30, 2018, the amount provided in this subsection
11 shall lapse.

12 **Sec. 308.** 2017 3rd sp.s. c 1 s 308 (uncodified) is amended to
13 read as follows:

14 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

15	General Fund—State Appropriation (FY 2018)	((\$48,463,000))
16		<u>\$73,919,000</u>
17	General Fund—State Appropriation (FY 2019)	((\$48,264,000))
18		<u>\$47,159,000</u>
19	General Fund—Federal Appropriation	((\$27,329,000))
20		<u>\$36,503,000</u>
21	General Fund—Private/Local Appropriation	((\$2,372,000))
22		<u>\$3,230,000</u>
23	Forest Development Account—State Appropriation	((\$56,643,000))
24		<u>\$50,206,000</u>
25	ORV and Nonhighway Vehicle Account—State	
26	Appropriation	((\$8,449,000))
27		<u>\$7,854,000</u>
28	Surveys and Maps Account—State Appropriation	((\$3,462,000))
29		<u>\$2,480,000</u>
30	Aquatic Lands Enhancement Account—State	
31	Appropriation	((\$13,262,000))
32		<u>\$16,162,000</u>
33	Resources Management Cost Account—State	
34	Appropriation	((\$121,559,000))
35		<u>\$121,678,000</u>
36	Surface Mining Reclamation Account—State	
37	Appropriation	((\$4,130,000))
38		<u>\$4,123,000</u>

1	Disaster Response Account—State Appropriation.	\$23,076,000
2	Forest and Fish Support Account—State Appropriation. . .	\$12,790,000
3	Aquatic Land Dredged Material Disposal Site Account—State	
4	Appropriation.	\$400,000
5	Natural Resources Conservation Areas Stewardship Account—State	
6	Appropriation	\$34,000
7	State Toxics Control Account—State Appropriation. . .	((\$10,705,000))
8		<u>\$10,704,000</u>
9	Forest Practices Application Account—State	
10	Appropriation	((\$2,158,000))
11		<u>\$1,900,000</u>
12	Air Pollution Control Account—State Appropriation	\$872,000
13	NOVA Program Account—State Appropriation	\$734,000
14	Derelict Vessel Removal Account—State Appropriation. . . .	\$1,946,000
15	Community Forest Trust Account—State Appropriation.	\$52,000
16	Agricultural College Trust Management Account—State	
17	Appropriation	((\$3,056,000))
18		<u>\$3,064,000</u>
19	<u>Pension Funding Stabilization Account—State</u>	
20	<u>Appropriation.</u>	<u>\$3,239,000</u>
21	TOTAL APPROPRIATION.	((\$389,756,000))
22		<u>\$422,125,000</u>

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

25 (1) \$1,420,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$1,352,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for deposit into the
28 agricultural college trust management account and are provided solely
29 to manage approximately 70,700 acres of Washington State University's
30 agricultural college trust lands.

31 (2) ~~((\$16,546,000))~~ \$27,165,000 of the general fund—state
32 appropriation for fiscal year 2018, \$16,546,000 of the general fund—
33 state appropriation for fiscal year 2019, and \$16,050,000 of the
34 disaster response account—state appropriation are provided solely for
35 emergency fire suppression. The general fund—state appropriations
36 provided in this subsection may not be used to fund the department's
37 indirect and administrative expenses. The department's indirect and

1 administrative costs shall be allocated among its remaining accounts
2 and appropriations.

3 (3) \$5,000,000 of the forest and fish support account—state
4 appropriation is provided solely for outcome-based performance
5 contracts with tribes to participate in the implementation of the
6 forest practices program. Contracts awarded may only contain indirect
7 costs set at or below the rate in the contracting tribe's indirect
8 cost agreement with the federal government. If federal funding for
9 this purpose is reinstated, the amount provided in this subsection
10 shall lapse.

11 (4) \$1,640,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$1,640,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the department to carry out
14 the forest practices adaptive management program pursuant to RCW
15 76.09.370 and the May 24, 2012, settlement agreement entered into by
16 the department and the department of ecology. Scientific research
17 must be carried out according to the master project schedule and work
18 plan of cooperative monitoring, evaluation, and research priorities
19 adopted by the forest practices board. The forest practices board
20 shall submit a report to the legislature following review, approval,
21 and solicitation of public comment on the cooperative monitoring,
22 evaluation, and research master project schedule, to include:
23 Cooperative monitoring, evaluation, and research science and related
24 adaptive management expenditure details, accomplishments, the use of
25 cooperative monitoring, evaluation, and research science in decision-
26 making, and funding needs for the coming biennium. For new or amended
27 forest practices rules adopted or new or amended board manual
28 provisions approved under chapter 76.09 RCW, the forest practices
29 board shall also report on its evaluation of the scientific basis for
30 the rule or board manual provisions including a technical assessment
31 of the value-added benefits for aquatic resources and the
32 corresponding economic impact to the regulated community from the
33 rule or board manual. The report shall be provided to the appropriate
34 committees of the legislature by November 1, 2018.

35 (5) \$147,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$147,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for chapter 280, Laws of 2017
38 (ESHB 2010) (homelessness/wildfire areas), including local capacity
39 for wildfire suppression in any county located east of the crest of

1 the Cascade mountain range that shares a common border with Canada
2 and has a population of one hundred thousand or fewer. The funding
3 provided in this subsection must be provided to these counties for
4 radio communication equipment, or to fire protection service
5 providers within these counties for residential wildfire risk
6 reduction activities, including education and outreach, technical
7 assistance, fuel mitigation, and other residential risk reduction
8 measures. For the purposes of this subsection, fire protection
9 service providers include fire departments, fire districts, emergency
10 management services, and regional fire protection service
11 authorities. The department must prioritize funding to counties
12 authorized in this subsection, and fire protection service providers
13 within those counties that serve a disproportionately higher
14 percentage of low-income residents as defined in RCW 84.36.042, that
15 are located in areas of higher wildfire risk, and whose fire
16 protection service providers have a shortage of reliable equipment
17 and resources. Of the amount provided in this subsection, \$7,000 per
18 fiscal year is provided for department administration costs.

19 (6) Sufficient funding is provided in this section and the
20 capital appropriations act to implement chapter 248, Laws of 2017
21 (E2SHB 1711) (forest health treatments).

22 (7) \$211,000 of the general fund—state appropriation for fiscal
23 year 2018 is provided solely for implementation of chapter 319, Laws
24 of 2017 (ESSB 5198) (fire retardant use). The department shall study
25 and report on the types and efficacy of fire retardants used in fire
26 suppression activities, their potential impact on human health and
27 natural resources, and make recommendations to the legislature by
28 December 31, 2017.

29 (8) \$505,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$486,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for implementation of chapter
32 95, Laws of 2017 (2SSB 5546) (forest health treatment assessment).
33 The department shall establish a forest health assessment and
34 treatment framework that consists of biennial forest health
35 assessments, treatments, and progress review and reporting.

36 (9) \$150,000 of the aquatic lands enhancement account—state
37 appropriation is provided solely for continued facilitation and
38 support services for the marine resources advisory council.

1 (10) \$250,000 of the aquatic lands enhancement account—state
2 appropriation is provided solely for implementation of the state
3 marine management plan and ongoing costs of the Washington coastal
4 marine advisory council to serve as a forum and provide
5 recommendations on coastal management issues.

6 (11) \$406,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$350,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for Teanaway community forest
9 operations management costs, such as management plan oversight and
10 forest health.

11 (12) \$150,000 of the state toxics control account—state
12 appropriation is provided solely for the department to meet its
13 obligations as a potentially liable party under the Washington model
14 toxics control act at Whitmarsh landfill and the east waterway site.

15 (13) \$25,000 of the general fund—state appropriation for fiscal
16 year 2018 is provided solely for conducting an aerial survey of the
17 Washington coast forests to monitor the occurrence and spread of
18 Swiss needle cast disease.

19 (14) \$25,000 of the general fund—state appropriation for fiscal
20 year 2018 is provided solely for the department to grant to the
21 University of Washington, Olympic natural resources center to develop
22 a plan to mitigate the effects of Swiss needle cast disease on
23 douglas fir tree species.

24 (15) Within existing resources, the department, in collaboration
25 with the emergency management division of the military department,
26 must develop agreements with other state agencies to recruit state
27 employees to voluntarily participate in the wildfire suppression
28 program. Other agency staff are eligible to receive training, fire
29 gear, and any other necessary items to be ready for deployment to
30 fight wildfires when called. The department shall cover agency staff
31 costs directly or through reimbursement and must submit a request for
32 an appropriation in the next legislative session to fulfill this
33 requirement. The department must provide a report detailing the
34 opportunities, challenges, and recommendations for increasing state
35 employee voluntary participation in the wildfire suppression program
36 to the appropriate committees of the legislature by December 1, 2017.

37 (16) \$2,900,000 of the aquatics land enhancement account—state
38 appropriation is provided solely for the department's share of the
39 costs to clean up the Fairview avenue site near Lake Union.

1 (17) \$543,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for the department to produce new and
3 improved earthquake and tsunami hazard maps, a seismic inventory of
4 critical facilities, and a geologic hazard database.

5 (18) \$160,000 of the general fund—state appropriation for fiscal
6 year 2019 is provided solely for implementing the provisions of
7 Engrossed Substitute Senate Bill No. 6109 (wildland urban interface).
8 If the bill is not enacted by June 30, 2018, the amount provided in
9 this subsection shall lapse.

10 (19) \$73,000 of the forest development account—state
11 appropriation, \$170,000 of the resource management cost account—state
12 appropriation, and \$8,000 of the agricultural college trust account—
13 state appropriation are provided solely for implementing the
14 provisions of Engrossed Senate Bill No. 6140 (state managed lands).
15 If the bill is not enacted by June 30, 2018, the amounts provided in
16 this subsection shall lapse.

17 (20) Within existing appropriations, the department shall submit
18 Alternative B as outlined in the draft environmental impact statement
19 for the marbled murrelet long-term conservation strategy dated
20 December 2016, to the United States fish and wildlife service, if the
21 service allows more than one alternative to be submitted. Alternative
22 B shall be submitted for evaluation to determine if the alternative
23 meets the requirements of the 1997 Washington state lands habitat
24 conservation plan and other applicable federal law in a manner
25 consistent with the department's legal and fiduciary obligations to
26 trust beneficiaries.

27 **Sec. 309.** 2017 3rd sp.s. c 1 s 309 (uncodified) is amended to
28 read as follows:

29 **FOR THE DEPARTMENT OF AGRICULTURE**

30	General Fund—State Appropriation (FY 2018)	. . . . .	(( \$17,281,000))
31			<u>\$16,885,000</u>
32	General Fund—State Appropriation (FY 2019)	. . . . .	(( \$17,525,000))
33			<u>\$17,185,000</u>
34	General Fund—Federal Appropriation	. . . . .	(( \$31,424,000))
35			<u>\$32,149,000</u>
36	General Fund—Private/Local Appropriation	. . . . .	\$193,000
37	Aquatic Lands Enhancement Account—State Appropriation		((\$2,565,000))
38			<u>\$2,566,000</u>

1	State Toxics Control Account—State Appropriation . . .	((\$5,534,000))
2		<u>\$5,536,000</u>
3	Water Quality Permit Account—State Appropriation	\$73,000
4	<u>Pension Funding Stabilization Account—State</u>	
5	<u>Appropriation.</u>	<u>\$1,041,000</u>
6	TOTAL APPROPRIATION.	((\$74,595,000))
7		<u>\$75,628,000</u>

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

10 (1) \$6,108,445 of the general fund—state appropriation for fiscal
11 year 2018 and \$6,102,905 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for implementing the food
13 assistance program as defined in RCW 43.23.290.

14 (2) Within amounts appropriated in this section, the department
15 shall provide to the department of health, where available, the
16 following data for all nutrition assistance programs that are funded
17 by the United States department of agriculture and administered by
18 the department. The department must provide the report for the
19 preceding federal fiscal year by February 1, 2018, and February 1,
20 2019. The report must provide:

21 (a) The number of people in Washington who are eligible for the
22 program;

23 (b) The number of people in Washington who participated in the
24 program;

25 (c) The average annual participation rate in the program;

26 (d) Participation rates by geographic distribution; and

27 (e) The annual federal funding of the program in Washington.

28 (3) \$132,000 of the general fund—state appropriation for fiscal
29 year 2019 is provided solely for the department to fund an
30 aquaculture coordinator. The aquaculture coordinator will work with
31 shellfish growers and federal, state, and local governments to
32 improve the efficiency and effectiveness of shellfish farm
33 permitting. Many of those improvements will come directly from the
34 shellfish interagency permitting team recommendations.

35 (4) \$238,000 of the general fund—state appropriation for fiscal
36 year 2019 is provided solely for the eradication of European gypsy
37 moths following established federal protocols.

38 (5) \$14,000 of the general fund—state appropriation for fiscal
39 year 2019 is provided solely for implementing Substitute Senate Bill

1 No. 6055 (apple maggot/outdoor burning). If the bill is not enacted
2 by June 30, 2018, the amount provided in this subsection shall lapse.

3 (6) \$2,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$18,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the department to assist the
6 department of ecology in implementing chapter 1, Laws of 2018
7 (Engrossed Substitute Senate Bill No. 6091, water availability).

8 (7) \$20,000 of the general fund—state appropriation for fiscal
9 year 2019 is provided solely to implement Engrossed Second Substitute
10 Senate Bill No. 6529 (pesticide application safety). If this bill is
11 not enacted by June 30, 2018, the amount provided in this subsection
12 shall lapse.

13 **Sec. 310.** 2017 3rd sp.s. c 1 s 310 (uncodified) is amended to
14 read as follows:

15 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

16	Underground Storage Tank Revolving Account—State	
17	Appropriation.	\$10,000
18	Pollution Liability Insurance Program Trust Account—State	
19	Appropriation	((\$1,338,000))
20		<u>\$1,339,000</u>
21	TOTAL APPROPRIATION.	((\$1,348,000))
22		<u>\$1,349,000</u>

23 **Sec. 311.** 2017 3rd sp.s. c 1 s 311 (uncodified) is amended to
24 read as follows:

25 **FOR THE PUGET SOUND PARTNERSHIP**

26	General Fund—State Appropriation (FY 2018)	((\$2,922,000))
27		<u>\$2,782,000</u>
28	General Fund—State Appropriation (FY 2019)	((\$2,668,000))
29		<u>\$2,526,000</u>
30	General Fund—Federal Appropriation	((\$8,102,000))
31		<u>\$10,336,000</u>
32	Aquatic Lands Enhancement Account—State	
33	Appropriation.	((\$1,420,000))
34		<u>\$1,419,000</u>
35	State Toxics Control Account—State Appropriation	\$721,000
36	Pension Funding Stabilization Account—State	
37	Appropriation.	<u>\$277,000</u>

1 TOTAL APPROPRIATION. (~~(\$15,833,000)~~)
2 \$18,061,000

3 The appropriations in this section are subject to the following
4 conditions and limitations: By October 15, 2018, the Puget Sound
5 partnership shall provide the governor a single, prioritized list of
6 state agency 2019-2021 capital and operating budget requests related
7 to Puget Sound restoration.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2017 3rd sp.s. c 1 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund—State Appropriation (FY 2018)	((\$1,460,000))
	<u>\$1,655,000</u>
General Fund—State Appropriation (FY 2019)	((\$1,530,000))
	<u>\$1,470,000</u>
Architects' License Account—State Appropriation	((\$995,000))
	<u>\$997,000</u>
Professional Engineers' Account—State Appropriation	((\$3,922,000))
	<u>\$3,932,000</u>
Real Estate Commission Account—State Appropriation	((\$11,045,000))
	<u>\$11,097,000</u>
Uniform Commercial Code Account—State Appropriation	((\$3,448,000))
	<u>\$3,472,000</u>
Real Estate Education Program Account—State Appropriation	\$276,000
Real Estate Appraiser Commission Account—State Appropriation	((\$1,870,000))
	<u>\$1,875,000</u>
Business and Professions Account—State Appropriation	((\$19,302,000))
	<u>\$19,314,000</u>
Real Estate Research Account—State Appropriation	\$415,000
<u>Landscape Architects' License Account—State</u>	<u>\$4,000</u>
Geologists' Account—State Appropriation	\$53,000
Derelict Vessel Removal Account—State Appropriation	\$33,000
CPL Renewal Notification Account—State Appropriation	\$183,000
Firearms Range Account—State Appropriation	\$75,000
<u>Pension Funding Stabilization Account—State Appropriation</u>	<u>\$95,000</u>
TOTAL APPROPRIATION	((\$44,607,000))
	<u>\$44,946,000</u>

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

1 (1) \$105,000 of the business and professions account
2 appropriation is provided solely to implement chapter 46, Laws of
3 2017 (SHB 1420) (theatrical wrestling).

4 (2) \$183,000 of the concealed pistol license renewal notification
5 account appropriation and \$75,000 of the firearms range account
6 appropriation are provided solely to implement chapter 74, Laws of
7 2017 (SHB 1100) (concealed pistol license) and chapter 282, Laws of
8 2017 (SB 5268) (concealed pistol license notices).

9 (3) \$198,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$11,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for costs related to sending
12 notices to persons to encourage the renewal of vessel registrations.

13 (4) \$60,000 of the general fund—state appropriation for fiscal
14 year 2019 is provided solely to implement Senate Bill No. 6298
15 (domestic violence harassment/firearms). If the bill is not enacted
16 by June 30, 2018, the amount provided in this subsection shall lapse.

17 **Sec. 402.** 2017 3rd sp.s. c 1 s 402 (uncodified) is amended to
18 read as follows:

19 **FOR THE STATE PATROL**

20	General Fund—State Appropriation (FY 2018)	. . . . .	((\$44,994,000))
21			<u>\$43,785,000</u>
22	General Fund—State Appropriation (FY 2019)	. . . . .	((\$45,986,000))
23			<u>\$45,683,000</u>
24	General Fund—Federal Appropriation	. . . . .	\$16,260,000
25	General Fund—Private/Local Appropriation	. . . . .	\$3,085,000
26	Death Investigations Account—State Appropriation	. . . . .	((\$7,087,000))
27			<u>\$7,185,000</u>
28	County Criminal Justice Assistance Account—State		
29	Appropriation	. . . . .	\$3,755,000
30	Municipal Criminal Justice Assistance Account—State		
31	Appropriation	. . . . .	\$1,521,000
32	Fire Service Trust Account—State Appropriation	. . . . .	\$131,000
33	Vehicle License Fraud Account—State Appropriation	. . . . .	\$110,000
34	Disaster Response Account—State Appropriation	. . . . .	((\$8,000,000))
35			<u>\$18,950,000</u>
36	Fire Service Training Account—State Appropriation	. . . . .	\$11,126,000
37	Aquatic Invasive Species Management Account—State		
38	Appropriation	. . . . .	\$54,000

1 fiscal year 2019 are provided solely for implementation of chapter
2 308, Laws of 2017 (SHB 1863) (fire incident reporting system).

3 (7) \$3,421,000 of the fingerprint identification account—state
4 appropriation is provided solely for the completion of the state
5 patrol's plan to upgrade the criminal history system, and is subject
6 to the conditions, limitations, and review provided in section 724 of
7 this act.

8 (8) \$1,039,000 of the fingerprint identification account—state
9 appropriation is provided solely for the implementation of a sexual
10 assault kit tracking database project and is subject to the
11 conditions, limitations, and review provided in section 724 of this
12 act.

13 (9) \$45,000 of the general fund—state appropriation for fiscal
14 year 2019 is provided solely for implementation of Substitute Senate
15 Bill No. 6473 (rental dwelling unit fires). If the bill is not
16 enacted by June 30, 2018, the amount provided in this subsection
17 shall lapse.

(End of part)

PART V
EDUCATION

Sec. 501. 2017 3rd sp.s. c 1 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State Appropriation (FY 2018)	(\$49,844,000)
	<u>\$49,040,000</u>
General Fund—State Appropriation (FY 2019)	(\$47,888,000)
	<u>\$53,554,000</u>
General Fund—Federal Appropriation	(\$68,460,000)
	<u>\$83,460,000</u>
General Fund—Private/Local Appropriation	\$8,051,000
Washington Opportunity Pathways Account—State Appropriation	\$584,000
Dedicated Marijuana Account—State Appropriation (FY 2018)	\$513,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$516,000
<u>Pension Funding Stabilization Account—State Appropriation</u>	<u>\$2,126,000</u>
Performance Audits of Government Account—State Appropriation	\$211,000
TOTAL APPROPRIATION.	(\$176,067,000)
	<u>\$198,055,000</u>

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

(1) (~~\$10,437,000~~) \$9,633,000 of the general fund—state appropriation for fiscal year 2018 and (~~\$11,112,000~~) \$10,383,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(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.

(b) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school,

1 using a uniform definition of unexcused absence as established by the
2 superintendent.

3 (c) By September of each year, the office of the superintendent
4 of public instruction shall produce an annual status report on
5 implementation of the budget provisos in sections 501 and 513 of this
6 act. The status report of each proviso shall include, but not be
7 limited to, the following information: Purpose and objective, number
8 of state staff funded by the proviso, number of contractors, status
9 of proviso implementation, number of beneficiaries by year, list of
10 beneficiaries, a comparison of budgeted funding and actual
11 expenditures, other sources and amounts of funding, and proviso
12 outcomes and achievements.

13 (d) The superintendent of public instruction, in consultation
14 with the secretary of state, shall update the program prepared and
15 distributed under RCW 28A.230.150 for the observation of temperance
16 and good citizenship day to include providing an opportunity for
17 eligible students to register to vote at school.

18 (e) Districts shall annually report to the office of the
19 superintendent of public instruction on: (i) The annual number of
20 graduating high school seniors within the district earning the
21 Washington state seal of biliteracy provided in RCW 28A.300.575; and
22 (ii) the number of high school students earning competency-based high
23 school credits for world languages by demonstrating proficiency in a
24 language other than English. The office of the superintendent of
25 public instruction shall provide a summary report to the office of
26 the governor and the appropriate committees of the legislature by
27 December 1st of each year.

28 (2) \$3,857,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$3,857,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for activities associated with
31 the implementation of House Bill No. 2242 (fully funding the program
32 of basic education).

33 (3)(a) \$911,000 of the general fund—state appropriation for
34 fiscal year 2018 and \$911,000 of the general fund—state appropriation
35 for fiscal year 2019 are provided solely for the operation and
36 expenses of the state board of education, including basic education
37 assistance activities.

38 (b) \$322,000 of the Washington opportunity pathways account—state
39 appropriation is provided solely for the state board of education to

1 provide assistance to public schools other than common schools
2 authorized under chapter 28A.710 RCW.

3 (4) \$3,512,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$3,512,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely to the professional educator
6 standards board for the following:

7 (a) \$1,115,000 in fiscal year 2018 and \$1,115,000 in fiscal year
8 2019 are for the operation and expenses of the Washington
9 professional educator standards board;

10 (b) \$2,372,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$2,372,000 of the general fund—state appropriation for
12 fiscal year 2019 are for grants to improve preservice teacher
13 training and for funding of alternate routes to certification
14 programs administered by the professional educator standards board.
15 Alternate routes programs include the pipeline for paraeducators
16 program, the retooling to teach conditional loan programs, and the
17 recruiting Washington teachers program. Priority shall be given to
18 programs that support bilingual teachers and English language
19 learners. Within this subsection (4)(b), up to \$500,000 per fiscal
20 year is available for grants to public or private colleges of
21 education in Washington state to develop models and share best
22 practices for increasing the classroom teaching experience of
23 preservice training programs and \$250,000 is provided solely for the
24 pipeline for paraeducators conditional scholarship program for
25 scholarships for paraeducators to complete their associate of arts
26 degrees in subject matter shortage areas;

27 (c) \$25,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$25,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for the professional educator
30 standards board to develop educator interpreter standards and
31 identify interpreter assessments that are available to school
32 districts. Interpreter assessments should meet the following
33 criteria: (A) Include both written assessment and performance
34 assessment; (B) be offered by a national organization of professional
35 sign language interpreters and transliterators; and (C) be designed
36 to assess performance in more than one sign system or sign language.
37 The board shall establish a performance standard, defining what
38 constitutes a minimum assessment result, for each educational

1 interpreter assessment identified. The board shall publicize the
2 standards and assessments for school district use;

3 (d) Within the amounts appropriated in this section, sufficient
4 funding is provided for implementation of chapter 172, Laws of 2017
5 (SHB 1741) (educator prep. data/PESB).

6 (5) \$266,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$266,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the implementation of
9 chapter 240, Laws of 2010, including staffing the office of equity
10 and civil rights.

11 (6) \$61,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$61,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the ongoing work of the
14 education opportunity gap oversight and accountability committee.

15 (7) \$61,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$61,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for the implementation of
18 chapter 380, Laws of 2009 (enacting the interstate compact on
19 educational opportunity for military children).

20 (8) \$262,000 of the Washington opportunity pathways account—state
21 appropriation is provided solely for activities related to public
22 schools other than common schools authorized under chapter 28A.710
23 RCW.

24 (9) \$1,802,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$1,802,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for implementing a comprehensive
27 data system to include financial, student, and educator data,
28 including development and maintenance of the comprehensive education
29 data and research system (CEDARS).

30 (10) \$50,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$50,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for project citizen, a program
33 sponsored by the national conference of state legislatures and the
34 center for civic education to promote participation in government by
35 middle school students.

36 (11) \$1,500,000 of the general fund—state appropriation for
37 fiscal year 2018 is provided solely for collaborative schools for
38 innovation and success authorized under chapter 53, Laws of 2012. The
39 office of the superintendent of public instruction shall award

1 \$500,000 for each collaborative school for innovation and success
2 selected for participation in the pilot program during 2012.

3 (12) \$123,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$123,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for implementation of chapter
6 163, Laws of 2012 (foster care outcomes). The office of the
7 superintendent of public instruction shall annually report each
8 December on the implementation of the state's plan of cross-system
9 collaboration to promote educational stability and improve education
10 outcomes of foster youth.

11 (13) \$250,000 of the general fund—state appropriation for fiscal
12 year 2018 is provided solely for implementation of chapter 178, Laws
13 of 2012 (open K-12 education resources).

14 (14) \$50,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$50,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for school bullying and
17 harassment prevention activities.

18 (15) \$14,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$14,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for implementation of chapter
21 242, Laws of 2013 (state-tribal education compacts).

22 (16) \$62,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$62,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for competitive grants to school
25 districts to increase the capacity of high schools to offer AP
26 computer science courses. In making grant allocations, the office of
27 the superintendent of public instruction must give priority to
28 schools and districts in rural areas, with substantial enrollment of
29 low-income students, and that do not offer AP computer science.
30 School districts may apply to receive either or both of the following
31 grants:

32 (a) A grant to establish partnerships to support computer science
33 professionals from private industry serving on a voluntary basis as
34 coinstructors along with a certificated teacher, including via
35 synchronous video, for AP computer science courses; or

36 (b) A grant to purchase or upgrade technology and curriculum
37 needed for AP computer science, as well as provide opportunities for
38 professional development for classroom teachers to have the requisite
39 knowledge and skills to teach AP computer science.

1 (17) \$10,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$10,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the superintendent of public
4 instruction to convene a committee for the selection and recognition
5 of Washington innovative schools. The committee shall select and
6 recognize Washington innovative schools based on the selection
7 criteria established by the office of the superintendent of public
8 instruction, in accordance with chapter 202, Laws of 2011 (innovation
9 schools—recognition) and chapter 260, Laws of 2011 (innovation
10 schools and zones).

11 (18) \$100,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$100,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the Mobius science center to
14 expand mobile outreach of science, technology, engineering, and
15 mathematics (STEM) education to students in rural, tribal, and low-
16 income communities.

17 (19) \$131,000 of the general fund—state appropriation for fiscal
18 year 2018, \$131,000 of the general fund—state appropriation for
19 fiscal year 2019, and \$211,000 of the performance audits of
20 government account—state appropriation are provided solely for the
21 office of the superintendent of public instruction to perform on-
22 going program reviews of alternative learning experience programs,
23 dropout reengagement programs, and other high risk programs. Findings
24 from the program reviews will be used to support and prioritize the
25 office of the superintendent of public instruction outreach and
26 education efforts that assist school districts in implementing the
27 programs in accordance with statute and legislative intent, as well
28 as to support financial and performance audit work conducted by the
29 office of the state auditor.

30 (20) \$150,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$150,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for youth suicide prevention
33 activities.

34 (21) \$31,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$55,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for the office of the
37 superintendent of public instruction for statewide implementation of
38 career and technical education course equivalency frameworks
39 authorized under RCW 28A.700.070 for math and science. This may

1 include development of additional equivalency course frameworks,
2 course performance assessments, and professional development for
3 districts implementing the new frameworks.

4 (22) \$2,541,000 of the general fund—state appropriation for
5 fiscal year 2018 and \$2,541,000 of the general fund—state
6 appropriation for fiscal year 2019 are provided solely for a corps of
7 nurses located at educational service districts, as determined by the
8 superintendent of public instruction, to be dispatched to the most
9 needy schools to provide direct care to students, health education,
10 and training for school staff.

11 (23) \$300,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$300,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for a nonviolence and ethical
14 leadership training and professional development program provided by
15 the institute for community leadership.

16 (24) \$1,221,000 of the general fund—state appropriation for
17 fiscal year 2018 and \$1,221,000 of the general fund—state
18 appropriation for fiscal year 2019 are provided solely for K-20
19 telecommunications network technical support in the K-12 sector to
20 prevent system failures and avoid interruptions in school utilization
21 of the data processing and video-conferencing capabilities of the
22 network. These funds may be used to purchase engineering and advanced
23 technical support for the network.

24 (25) \$3,940,000 of the general fund—state appropriation for
25 fiscal year 2018 and \$3,940,000 of the general fund—state
26 appropriation for fiscal year 2019 are provided solely for the
27 Washington state achievers scholarship and Washington higher
28 education readiness program. The funds shall be used to: Support
29 community involvement officers that recruit, train, and match
30 community volunteer mentors with students selected as achievers
31 scholars; and to identify and reduce barriers to college for low-
32 income and underserved middle and high school students.

33 (26) \$1,354,000 of the general fund—state appropriation for
34 fiscal year 2018 and \$1,354,000 of the general fund—state
35 appropriation for fiscal year 2019 are provided solely for
36 contracting with a college scholarship organization with expertise in
37 conducting outreach to students concerning eligibility for the
38 Washington college bound scholarship consistent with chapter 405,
39 Laws of 2007.

1 (27) \$410,000 of the general fund—state appropriation for fiscal
2 year 2018, \$280,000 of the general fund—state appropriation for
3 fiscal year 2019, and \$1,029,000 of the dedicated marijuana account—
4 state appropriation are provided solely for dropout prevention,
5 intervention, and reengagement programs, including the jobs for
6 America's graduates (JAG) program, dropout prevention programs that
7 provide student mentoring, and the building bridges statewide
8 program. Students in the foster care system or who are homeless shall
9 be given priority by districts offering the jobs for America's
10 graduates program. The office of the superintendent of public
11 instruction shall convene staff representatives from high schools to
12 meet and share best practices for dropout prevention. Of these
13 amounts, \$513,000 of the dedicated marijuana account—state
14 appropriation for fiscal year 2018, and \$516,000 of the dedicated
15 marijuana account—state appropriation for fiscal year 2019 are
16 provided solely for the building bridges statewide program.

17 (28) \$2,984,000 of the general fund—state appropriation for
18 fiscal year 2018 and \$2,590,000 of the general fund—state
19 appropriation for fiscal year 2019 are provided solely for the
20 Washington kindergarten inventory of developing skills. State funding
21 shall support statewide administration and district implementation of
22 the inventory under RCW 28A.655.080.

23 (29) \$293,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$293,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the office of the
26 superintendent of public instruction to support district
27 implementation of comprehensive guidance and planning programs in
28 support of high-quality high school and beyond plans consistent with
29 RCW 28A.230.090.

30 (30) \$4,894,000 of the general fund—state appropriation for
31 fiscal year 2018 and \$4,894,000 of the general fund—state
32 appropriation for fiscal year 2019 are provided solely for ((grants
33 for)) implementation of dual credit programs and subsidized advance
34 placement exam fees and international baccalaureate class fees and
35 exam fees for low-income students. For expenditures related to
36 subsidized exam fees, the superintendent shall report: The number of
37 students served; the demographics of the students served; and how the
38 students perform on the exams.

1 (31) \$100,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$100,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the superintendent of public
4 instruction to convene a work group to build upon the work of the
5 social emotional learning work group established under section
6 501(34), chapter 4, Laws of 2015 3rd sp. sess. The members of the
7 work group must include representatives from the same organizations
8 that were represented on the 2015 work group, as well as five
9 representatives of diverse communities and a statewide expanded
10 learning opportunities intermediary. The work group must identify and
11 articulate developmental indicators for each grade level for each of
12 the social emotional learning benchmarks, solicit feedback from
13 stakeholders, and develop a model of best practices or guidance for
14 schools on implementing the benchmarks and indicators. The work group
15 shall submit recommendations to the education committees of the
16 legislature and the office of the governor by June 30, 2019.

17 (32) \$117,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$117,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for implementation of chapter 3
20 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).

21 (33) \$450,000 of the general fund—state appropriation for fiscal
22 year 2018 and (~~(\$450,000)~~) \$1,450,000 of the general fund—state
23 appropriation for fiscal year 2019 are provided solely for
24 implementation of chapter 236, Laws of 2017 (SHB 1445) (dual
25 language/early learning & K-12). In selecting recipients of the K-12
26 dual language grant, the superintendent of public instruction must
27 prioritize districts that received grants under section 501(36),
28 chapter 4, Laws of 2015 3rd sp. sess. Up to \$450,000 of the general
29 fund—state appropriation for fiscal year 2019 is for implementation
30 of the K-12 dual language grant program established in RCW
31 28A.630.095. \$1,000,000 of the general fund—state appropriation for
32 fiscal year 2019 is provided solely for implementation of the
33 bilingual educator initiative pilot project established under RCW
34 28A.180.120.

35 (34) \$125,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$125,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the Kip Tokuda memorial
38 Washington civil liberties public education program. The

1 superintendent of public instruction shall award grants consistent
2 with RCW 28A.300.410.

3 (35) \$1,000,000 of the general fund—state appropriation for
4 fiscal year 2018 and \$1,000,000 of the general fund—state
5 appropriation for fiscal year 2019 are provided solely for the
6 computer science and education grant program to support the following
7 three purposes: Train and credential teachers in computer sciences;
8 provide and upgrade technology needed to learn computer science; and,
9 for computer science frontiers grants to introduce students to and
10 engage them in computer science. The office of the superintendent of
11 public instruction must use the computer science learning standards
12 adopted pursuant to chapter 3, Laws of 2015 (computer science) in
13 implementing the grant, to the extent possible. Additionally, grants
14 provided for the purpose of introducing students to computer science
15 are intended to support innovative ways to introduce and engage
16 students from historically underrepresented groups, including girls,
17 low-income students, and minority students, to computer science and
18 to inspire them to enter computer science careers. Grant funds for
19 the computer science and education grant program may be expended only
20 to the extent that they are equally matched by private sources for
21 the program, including gifts, grants, or endowments.

22 (36) \$2,145,000 of the general fund—state appropriation for
23 fiscal year 2018 and \$2,145,000 of the general fund—state
24 appropriation for fiscal year 2019 are provided solely for a contract
25 with a nongovernmental entity or entities for demonstration sites to
26 improve the educational outcomes of students who are dependent
27 pursuant to chapter 13.34 RCW pursuant to chapter 71, Laws of 2016
28 (Fourth Substitute House Bill No. 1999, foster youth edu. outcomes).

29 (a) Of the amount provided in this subsection, \$446,000 of the
30 general fund—state appropriation for fiscal year 2018 and \$446,000 of
31 the general fund—state appropriation for fiscal year 2019 are
32 provided solely for the demonstration site established pursuant to
33 the 2013-2015 omnibus appropriations act, section 202(10), chapter 4,
34 Laws of 2013, 2nd sp. sess.

35 (b) Of the amount provided in this subsection, \$1,015,000 of the
36 general fund—state appropriation for fiscal year 2018 and \$1,015,000
37 of the general fund—state appropriation for fiscal year 2019 are
38 provided solely for the demonstration site established pursuant to

1 the 2015-2017 omnibus appropriations act, section 501(43)(b), chapter
2 4, Laws of 2015, 3rd sp. sess., as amended.

3 (37) \$1,000,000 of the general fund—state appropriation for
4 fiscal year 2018 and \$1,000,000 of the general fund—state
5 appropriation for fiscal year 2019 are provided solely for
6 implementation of chapter 157, Laws of 2016 (Third Substitute House
7 Bill No. 1682, homeless students).

8 (38) \$753,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$703,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for implementation of chapter
11 72, Laws of 2016 (Fourth Substitute House Bill No. 1541, educational
12 opportunity gap).

13 (39) \$57,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$15,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for implementation of chapter
16 240, Laws of 2016 (Engrossed Senate Bill No. 6620, school safety).

17 (40) \$186,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$178,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for implementation of chapter
20 291, Laws of 2017 (2SHB 1170) (truancy reduction efforts).

21 (41) \$984,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$912,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for implementation of chapter
24 237, Laws of 2017 (ESHB 1115) (paraeducators).

25 (42) \$204,000 of the general fund—state appropriation for fiscal
26 year 2018, \$204,000 of the general fund—state appropriation for
27 fiscal year 2019, and \$408,000 of the general fund—federal
28 appropriation are provided solely for implementation of chapter 202,
29 Laws of 2017 (E2SHB 1713) (children's mental health).

30 (43) \$300,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$300,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for grants to middle and high
33 schools to support international baccalaureate programs in high
34 poverty schools. Of these amounts:

35 (a) \$200,000 of the appropriation for fiscal year 2018 and
36 \$200,000 of the appropriation for fiscal year 2019 are provided
37 solely for grants to high schools that have an existing international
38 baccalaureate program and enrollments of seventy percent or more
39 students eligible for free or reduced-price meals in the prior school

1 year to implement and sustain an international baccalaureate program;
2 and

3 (b) \$100,000 of the appropriation for fiscal year 2018 and
4 \$100,000 of the appropriation for fiscal year 2019 are provided
5 solely for grants to middle schools with students that will attend a
6 qualifying high poverty high school that has received a grant under
7 (a) of this subsection to support implementation of a middle school
8 international baccalaureate program.

9 (44) \$240,000 of the general fund—state appropriation for fiscal
10 year 2018 is provided solely for a grant to the Pacific science
11 center to continue providing science on wheels activities in schools
12 and other community settings. Funding is provided to assist with
13 upgrading three planetarium computers and software and to assist with
14 purchasing and outfitting three vans with new traveling planetarium
15 exhibits.

16 (45) \$100,000 of the general fund—state appropriation for fiscal
17 year 2018 is provided solely for the office of the superintendent of
18 public instruction to contract for consulting services for a study of
19 the current state pupil transportation funding formula. The study
20 must evaluate the extent to which the formula corresponds to the
21 actual costs of providing pupil transportation to and from school for
22 the state's statutory program of basic education, including local
23 school district characteristics such as unique geographic
24 constraints, and transportation for students who are identified as
25 homeless under the McKinney-Vento act. Based on the results of this
26 evaluation, the superintendent must make recommendations for any
27 necessary revisions to the state's pupil transportation formula,
28 taking into account the statutory program of basic education,
29 promotion of the efficient use of state and local resources, and
30 continued local district control over the management of pupil
31 transportation systems. The superintendent must make recommendations
32 to clarify the sources of funding that districts can use to transport
33 homeless students to and from school.

34 (46) \$440,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$270,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for the office of the
37 superintendent of public instruction for the procurement and
38 implementation of a reporting and data aggregation system that will
39 connect state- and district-level information to secure and protect

1 district, school and student information in order to close student
2 performance gaps by assisting school districts in data-driven
3 implementation of strategies and supports that are responsive of
4 student needs.

5 (47) \$150,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$450,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided for the superintendent of public
8 instruction to develop and implement a statewide accountability
9 system to address absenteeism and to improve student graduation
10 rates. The system must use data to engage schools and districts in
11 identifying successful strategies and systems that are based on
12 federal and state accountability measures. Funding may also support
13 the effort to provide assistance about successful strategies and
14 systems to districts and schools that are underperforming in the
15 targeted student subgroups.

16 (48) \$178,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$179,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for implementation of chapter
19 180, Laws of 2017 (2SSB 5258) (Washington Aim program).

20 (49) \$132,000 of the general fund—state appropriation for fiscal
21 year 2019 is provided solely for implementation of Second Substitute
22 Senate Bill No. 6162 (dyslexia). If the bill is not enacted by June
23 30, 2018, the amount provided in this subsection shall lapse.

24 (50) \$386,000 of the general fund—state appropriation for fiscal
25 year 2019 is provided solely for implementation of Second Substitute
26 Senate Bill No. 6410 (school safety). If the bill is not enacted by
27 June 30, 2018, the amount provided in this subsection shall lapse.

28 (51) \$77,000 of the general fund—state appropriation for fiscal
29 year 2019 is provided solely for implementation of Substitute Senate
30 Bill No. 6141 (student distress response). If the bill is not enacted
31 by June 30, 2018, the amount provided in this subsection shall lapse.

32 (52) Within the amounts appropriated in this section the office
33 of the superintendent of public instruction shall ensure career and
34 technical education courses are aligned with high-demand, high-wage
35 jobs. The superintendent shall verify that the current list of career
36 and technical education courses meets the criteria established in RCW
37 28A.700.020(2). The superintendent shall remove from the list any
38 career and technical education course that no longer meets such
39 criteria.

1 (53) \$1,200,000 of the general fund—state appropriation for
2 fiscal year 2019 are for one-time start-up allocation grants to each
3 high-needs school implementing a breakfast after the bell program
4 under section 3 of Second Engrossed Substitute House Bill No. 1508
5 (student meals and nutrition). If the bill is not enacted by June 30,
6 2018, the amount provided in this subsection shall lapse.

7 (54) \$250,000 of the general fund—state appropriation for fiscal
8 year 2019 is provided solely for implementation of Senate Bill No.
9 6201 (open education resources project). If the bill is not enacted
10 by June 30, 2018, the amount provided in this subsection shall lapse.

11 (55) Within the amounts appropriated in this section, the office
12 of the superintendent of public instruction may develop
13 recommendations to amend long-standing provisos within Part V of the
14 omnibus operating budget. The office of the superintendent of public
15 instruction shall submit recommendations, to include rationale why
16 each proposed change should be made, to the office of financial
17 management and the fiscal committees of the legislature by July 1,
18 2018.

19 (56) Within the amounts appropriated in this section, the office
20 of the superintendent of public instruction shall coordinate with
21 school districts and educational service districts that contract for
22 transportation bus services and report the following information to
23 the appropriate fiscal committees of the legislature by December 1,
24 2018:

25 (a) The number of transportation contract employees by job
26 category;

27 (b) The total cost of the transportation contract, including the
28 amount held by the school district or educational service district
29 for administration of the contract;

30 (c) Information about the retirement benefit for transportation
31 contract employees, including the name of the provider, the aggregate
32 amount provided, and the amounts provided by employees;

33 (d) Information about the total health care benefit provided to
34 transportation contract employees, including the name of the provider
35 and the summary of benefits; and

36 (e) A copy of the transportation contract.

37 (57) Within the amounts appropriated in this section, the office
38 of the superintendent of public instruction shall:

39 (a) Make recommendations on the best methods to provide and fund
40 vocational funding enhancement for career and technical education and

1 career-connected learning through alternative learning experience
2 courses;

3 (b) Solicit and incorporate input received from the online
4 learning advisory committee in making its report recommendations; and

5 (c) Submit a report of recommendations to the education and
6 fiscal committees of the legislature by December 15, 2018.

7 (58) \$50,000 of the general fund—state appropriation for fiscal
8 year 2019 is provided solely for the financial education public
9 private partnership to create a matching fund program to increase
10 teacher training in financial education.

11 (59) \$3,300,000 of the general fund—state appropriation for
12 fiscal year 2019 is provided solely for the office of the
13 superintendent of public instruction to improve school safety. The
14 office of the superintendent of public instruction shall coordinate
15 with the criminal justice training commission for ways to most
16 effectively improve school safety and identify the discreet
17 challenges of nonrural compared to rural school districts. Of these
18 amounts:

19 (a) Funds must be spent to focus first on safety measures that
20 are recommended by at least the criminal just training commission;
21 and

22 (b) The office of the superintendent of public instruction shall
23 report back to the education and fiscal committees of the legislature
24 each year, beginning June 30, 2019, on issues and findings on how to
25 most effectively improve school safety and how the funding was spent
26 to include:

27 (i) Which districts had funding spent on their schools, to
28 include a list of the impacted schools and the total money spent by
29 school year; and

30 (ii) A statewide rollup of what was spent by district by school
31 year, to include how many total schools statewide were impacted by
32 these funds.

33 **Sec. 502.** 2017 3rd sp.s. c 1 s 502 (uncodified) is amended to
34 read as follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL**
36 **APPORTIONMENT**

37 General Fund—State Appropriation (FY 2018) . . . ((~~\$7,183,886,000~~))
38 \$7,239,334,000

1	General Fund—State Appropriation (FY 2019)	. . .	((\$7,412,055,000))
2			<u>\$7,393,392,000</u>
3	Education Legacy Trust Account—State Appropriation	. . .	\$345,730,000
4	TOTAL APPROPRIATION.	. . . . .	((\$14,941,671,000))
5			<u>\$14,978,456,000</u>

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

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

11 (b) For the 2017-18 and 2018-19 school years, the superintendent
12 shall allocate general apportionment funding to school districts as
13 provided in the funding formulas and salary allocations in sections
14 502 and 503 of this act, excluding (c) of this subsection, and in
15 House Bill No. 2242 (fully funding the program of basic education).

16 (c) From July 1, 2017, to August 31, 2017, the superintendent
17 shall allocate general apportionment funding to school districts
18 programs as provided in sections 502 and 503, chapter 4, Laws of 2015
19 3rd sp. sess., as amended.

20 (d) The enrollment of any district shall be the annual average
21 number of full-time equivalent students and part-time students as
22 provided in RCW 28A.150.350, enrolled on the fourth day of school in
23 September and on the first school day of each month October through
24 June, including students who are in attendance pursuant to RCW
25 28A.335.160 and 28A.225.250 who do not reside within the servicing
26 school district. Any school district concluding its basic education
27 program in May must report the enrollment of the last school day held
28 in May in lieu of a June enrollment.

29 (e)(i) Funding provided in part V of this act is sufficient to
30 provide each full-time equivalent student with the minimum hours of
31 instruction required under RCW 28A.150.220.

32 (ii) The office of the superintendent of public instruction shall
33 align the agency rules defining a full-time equivalent student with
34 the increase in the minimum instructional hours under RCW
35 28A.150.220, as amended by the legislature in 2014.

36 (f) The superintendent shall adopt rules requiring school
37 districts to report full-time equivalent student enrollment as
38 provided in RCW 28A.655.210.

1 (g) For the 2017-18 and 2018-19 school years, school districts
2 must report to the office of the superintendent of public instruction
3 the monthly actual average district-wide class size across each grade
4 level of kindergarten, first grade, second grade, and third grade
5 classes. The superintendent of public instruction shall report this
6 information to the education and fiscal committees of the house of
7 representatives and the senate by September 30th of each year.

8 (h) For the 2018-19 school year, a school district qualifies for
9 a hold harmless payment if the sum of the school district's state
10 basic education allocations plus its enrichment levy and local effort
11 assistance under chapter 13, Laws of 2017 3rd sp. sess. is less than
12 the sum of state basic education allocations, local maintenance and
13 operation levy, and local effort assistance provided under the law as
14 it existed on January 1, 2017. For the purposes of this section, the
15 local levy is limited to the lesser of the voter-approved levy as of
16 January 1, 2017, or the maximum levy allowed under the law as of
17 January 1, 2017.

18 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

19 Allocations for certificated instructional staff salaries for the
20 2017-18 and 2018-19 school years are determined using formula-
21 generated staff units calculated pursuant to this subsection.

22 (a) Certificated instructional staff units, as defined in RCW
23 28A.150.410, shall be allocated to reflect the minimum class size
24 allocations, requirements, and school prototypes assumptions as
25 provided in RCW 28A.150.260. The superintendent shall make
26 allocations to school districts based on the district's annual
27 average full-time equivalent student enrollment in each grade.

28 (b) Additional certificated instructional staff units provided in
29 this subsection (2) that exceed the minimum requirements in RCW
30 28A.150.260 are enhancements outside the program of basic education,
31 except as otherwise provided in this section.

32 (c)(i) The superintendent shall base allocations for each level
33 of prototypical school on the following regular education average
34 class size of full-time equivalent students per teacher, except as
35 provided in (c)(ii) of this subsection:

36 General education class size:

37 Grade	RCW 28A.150.260	2017-18	2018-19
		School Year	School Year

1	Grade K	17.00	17.00
2	Grade 1	17.00	17.00
3	Grade 2	17.00	17.00
4	Grade 3	17.00	17.00
5	Grade 4	27.00	27.00
6	Grades 5-6	27.00	27.00
7	Grades 7-8	28.53	28.53
8	Grades 9-12	28.74	28.74

9 The superintendent shall base allocations for: Laboratory science
10 average class size as provided in RCW 28A.150.260; career and
11 technical education (CTE) class size of 23.0; and skill center
12 program class size of 20.0.

13 (ii) For each level of prototypical school at which more than
14 fifty percent of the students were eligible for free and reduced-
15 price meals in the prior school year, the superintendent shall
16 allocate funding based on the following average class size of full-
17 time equivalent students per teacher:

18 General education class size in high poverty schools:

19	Grade	RCW 28A.150.260	2017-18	2018-19
20			School Year	School Year
21	Grade K		17.00	17.00
22	Grade 1		17.00	17.00
23	Grade 2		17.00	17.00
24	Grade 3		17.00	17.00
25	Grade 4		27.00	27.00
26	Grades 5-6		27.00	27.00
27	Grades 7-8		28.53	28.53
28	Grades 9-12		28.74	28.74

29 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
30 planning period, expressed as a percentage of a teacher work day, is
31 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

32 (iv) Advanced placement and international baccalaureate courses
33 are funded at the same class size assumptions as general education
34 schools in the same grade; and

1 (d)(i) Funding for teacher librarians, school nurses, social
2 workers, school psychologists, and guidance counselors is allocated
3 based on the school prototypes as provided in RCW 28A.150.260 and is
4 considered certificated instructional staff, except as provided in
5 (d)(ii) of this subsection.

6 (ii) Students in approved career and technical education and
7 skill center programs generate certificated instructional staff units
8 to provide for the services of teacher librarians, school nurses,
9 social workers, school psychologists, and guidance counselors at the
10 following combined rate per 1000 student full-time equivalent
11 enrollment:

	2017-18	2018-19
	School Year	School Year
14 Career and Technical Education	3.07	3.07
15 Skill Center	3.41	3.41

16 (3) ADMINISTRATIVE STAFF ALLOCATIONS

17 (a) Allocations for school building-level certificated
18 administrative staff salaries for the 2017-18 and 2018-19 school
19 years for general education students are determined using the formula
20 generated staff units calculated pursuant to this subsection. The
21 superintendent shall make allocations to school districts based on
22 the district's annual average full-time equivalent enrollment in each
23 grade. The following prototypical school values shall determine the
24 allocation for principals, assistance principals, and other
25 certificated building level administrators:

26 Prototypical School Building:

27 Elementary School	1.253
28 Middle School	1.353
29 High School	1.880

30 (b) Students in approved career and technical education and skill
31 center programs generate certificated school building-level
32 administrator staff units at per student rates that are a multiple of
33 the general education rate in (a) of this subsection by the following
34 factors: Career and Technical Education students. 1.025
35 Skill Center students. 1.198

36 (4) CLASSIFIED STAFF ALLOCATIONS

1 Allocations for classified staff units providing school building-
2 level and district-wide support services for the 2017-18 and 2018-19
3 school years are determined using the formula-generated staff units
4 provided in RCW 28A.150.260 and pursuant to this subsection, and
5 adjusted based on each district's annual average full-time equivalent
6 student enrollment in each grade.

7 (5) CENTRAL OFFICE ALLOCATIONS

8 In addition to classified and administrative staff units
9 allocated in subsections (3) and (4) of this section, classified and
10 administrative staff units are provided for the 2017-18 and 2018-19
11 school years for the central office administrative costs of operating
12 a school district, at the following rates:

13 (a) The total central office staff units provided in this
14 subsection (5) are calculated by first multiplying the total number
15 of eligible certificated instructional, certificated administrative,
16 and classified staff units providing school-based or district-wide
17 support services, as identified in RCW 28A.150.260(6)(b) and the
18 increased allocations provided pursuant to subsections (2) and (4) of
19 this section, by 5.3 percent.

20 (b) Of the central office staff units calculated in (a) of this
21 subsection, 74.53 percent are allocated as classified staff units, as
22 generated in subsection (4) of this section, and 25.47 percent shall
23 be allocated as administrative staff units, as generated in
24 subsection (3) of this section.

25 (c) Staff units generated as enhancements outside the program of
26 basic education to the minimum requirements of RCW 28A.150.260, and
27 staff units generated by skill center and career-technical students,
28 are excluded from the total central office staff units calculation in
29 (a) of this subsection.

30 (d) For students in approved career-technical and skill center
31 programs, central office classified units are allocated at the same
32 staff unit per student rate as those generated for general education
33 students of the same grade in this subsection (5), and central office
34 administrative staff units are allocated at staff unit per student
35 rates that exceed the general education rate established for students
36 in the same grade in this subsection (5) by 12.29 percent in the
37 2017-18 school year and 12.29 percent in the 2018-19 school year for
38 career and technical education students, and 17.61 percent in the

1 2017-18 school year and 17.61 percent in the 2018-19 school year for
2 skill center students.

3 (6) FRINGE BENEFIT ALLOCATIONS

4 Fringe benefit allocations shall be calculated at a rate of 23.49
5 percent in the 2017-18 school year and 23.49 percent in the 2018-19
6 school year for certificated salary allocations provided under
7 subsections (2), (3), and (5) of this section, and a rate of 24.60
8 percent in the 2017-18 school year and 24.60 percent in the 2018-19
9 school year for classified salary allocations provided under
10 subsections (4) and (5) of this section.

11 (7) INSURANCE BENEFIT ALLOCATIONS

12 Insurance benefit allocations shall be calculated at the
13 maintenance rate specified in section 504 of this act, based on the
14 number of benefit units determined as follows:

15 (a) The number of certificated staff units determined in
16 subsections (2), (3), and (5) of this section; and

17 (b) The number of classified staff units determined in
18 subsections (4) and (5) of this section multiplied by 1.152. This
19 factor is intended to adjust allocations so that, for the purpose of
20 distributing insurance benefits, full-time equivalent classified
21 employees may be calculated on the basis of 1,440 hours of work per
22 year, with no individual employee counted as more than one full-time
23 equivalent.

24 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

25 Funding is allocated per annual average full-time equivalent
26 student for the materials, supplies, and operating costs (MSOC)
27 incurred by school districts, consistent with the requirements of RCW
28 28A.150.260.

29 (a)(i) MSOC funding for general education students are allocated
30 at the following per student rates:

31 MSOC RATES/STUDENT FTE

32

33 MSOC Component	2017-18	2018-19
34	School Year	School Year
35		
36 Technology	\$130.76	(\$132.85) <u>\$133.24</u>
37 Utilities and Insurance	\$355.30	(\$360.98) <u>\$362.05</u>

1	Curriculum and Textbooks	\$140.39	((\$142.64)) <u>\$143.06</u>
2	Other Supplies and Library Materials	\$298.05	((\$302.82)) <u>\$303.71</u>
3	Instructional Professional Development for Certificated	\$21.71	((\$22.06)) <u>\$22.12</u>
4	and Classified Staff		
5	Facilities Maintenance	\$176.01	((\$178.83)) <u>\$179.36</u>
6	Security and Central Office	\$121.94	((\$123.89)) <u>\$124.26</u>
7	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,244.16	((\$1,264.07))
8			<u>\$1,267.80</u>

9 (ii) For the 2017-18 school year and 2018-19 school year, as part
10 of the budget development, hearing, and review process required by
11 chapter 28A.505 RCW, each school district must disclose: (A) The
12 amount of state funding to be received by the district under (a) and
13 (d) of this subsection (8); (B) the amount the district proposes to
14 spend for materials, supplies, and operating costs; (C) the
15 difference between these two amounts; and (D) if (A) of this
16 subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any
17 proposed use of this difference and how this use will improve student
18 achievement.

19 (b) Students in approved skill center programs generate per
20 student FTE MSOC allocations of \$1,472.01 for the 2017-18 school year
21 and ((~~\$1,495.56~~)) \$1,499.98 for the 2018-19 school year.

22 (c) Students in approved exploratory and preparatory career and
23 technical education programs generate per student FTE MSOC
24 allocations of \$1,472.01 for the 2017-18 school year and
25 ((~~\$1,495.56~~)) \$1,499.98 for the 2018-19 school year.

26 (d) Students in grades 9-12 generate per student FTE MSOC
27 allocations in addition to the allocations provided in (a) through
28 (c) of this subsection at the following rate:

29	MSOC Component	2017-18	2018-19
30		School Year	School Year
31	Technology	\$37.60	((\$38.20)) <u>\$38.31</u>
32	Curriculum and Textbooks	\$41.02	((\$41.67)) <u>\$41.80</u>
33	Other Supplies and Library Materials	\$85.46	((\$86.82)) <u>\$87.08</u>
34	Instructional Professional Development for Certified	\$6.83	((\$6.95)) <u>\$6.97</u>
35	and Classified Staff		
36	TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$170.91	((\$173.64)) <u>\$174.16</u>

1 (9) SUBSTITUTE TEACHER ALLOCATIONS

2 For the 2017-18 and 2018-19 school years, funding for substitute
3 costs for classroom teachers is based on four (4) funded substitute
4 days per classroom teacher unit generated under subsection (2) of
5 this section, at a daily substitute rate of \$151.86.

6 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

7 (a) Amounts provided in this section from July 1, 2017, to August
8 31, 2017, are adjusted to reflect provisions of chapter 4, Laws of
9 2015 3rd sp. sess., as amended (allocation of funding for students
10 enrolled in alternative learning experiences).

11 (b) The superintendent of public instruction shall require all
12 districts receiving general apportionment funding for alternative
13 learning experience (ALE) programs as defined in WAC 392-121-182 to
14 provide separate financial accounting of expenditures for the ALE
15 programs offered in district or with a provider, including but not
16 limited to private companies and multidistrict cooperatives, as well
17 as accurate, monthly headcount and FTE enrollment claimed for basic
18 education, including separate counts of resident and nonresident
19 students.

20 (11) DROPOUT REENGAGEMENT PROGRAM

21 The superintendent shall adopt rules to require students claimed
22 for general apportionment funding based on enrollment in dropout
23 reengagement programs authorized under RCW 28A.175.100 through
24 28A.175.115 to meet requirements for at least weekly minimum
25 instructional contact, academic counseling, career counseling, or
26 case management contact. Districts must also provide separate
27 financial accounting of expenditures for the programs offered by the
28 district or under contract with a provider, as well as accurate
29 monthly headcount and full-time equivalent enrollment claimed for
30 basic education, including separate enrollment counts of resident and
31 nonresident students.

32 (12) ALL DAY KINDERGARTEN PROGRAMS

33 Funding in this section is sufficient to fund all day
34 kindergarten programs in all schools in the 2017-18 school year and
35 2018-19 school year, pursuant to RCW 28A.150.220 and 28A.150.315.

36 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
37 NECESSARY PLANTS

1 For small school districts and remote and necessary school plants
2 within any district which have been judged to be remote and necessary
3 by the superintendent of public instruction, additional staff units
4 are provided to ensure a minimum level of staffing support.
5 Additional administrative and certificated instructional staff units
6 provided to districts in this subsection shall be reduced by the
7 general education staff units, excluding career and technical
8 education and skills center enhancement units, otherwise provided in
9 subsections (2) through (5) of this section on a per district basis.

10 (a) For districts enrolling not more than twenty-five average
11 annual full-time equivalent students in grades K-8, and for small
12 school plants within any school district which have been judged to be
13 remote and necessary by the superintendent of public instruction and
14 enroll not more than twenty-five average annual full-time equivalent
15 students in grades K-8:

16 (i) For those enrolling no students in grades 7 and 8, 1.76
17 certificated instructional staff units and 0.24 certificated
18 administrative staff units for enrollment of not more than five
19 students, plus one-twentieth of a certificated instructional staff
20 unit for each additional student enrolled; and

21 (ii) For those enrolling students in grades 7 or 8, 1.68
22 certificated instructional staff units and 0.32 certificated
23 administrative staff units for enrollment of not more than five
24 students, plus one-tenth of a certificated instructional staff unit
25 for each additional student enrolled;

26 (b) For specified enrollments in districts enrolling more than
27 twenty-five but not more than one hundred average annual full-time
28 equivalent students in grades K-8, and for small school plants within
29 any school district which enroll more than twenty-five average annual
30 full-time equivalent students in grades K-8 and have been judged to
31 be remote and necessary by the superintendent of public instruction:

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

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

39 (c) For districts operating no more than two high schools with
40 enrollments of less than three hundred average annual full-time

1 equivalent students, for enrollment in grades 9-12 in each such
2 school, other than alternative schools, except as noted in this
3 subsection:

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

9 (ii) For all other small high schools under this subsection, nine
10 certificated instructional staff units and one-half of a certificated
11 administrative staff unit for the first sixty average annual full-
12 time equivalent students, and additional staff units based on a ratio
13 of 0.8732 certificated instructional staff units and 0.1268
14 certificated administrative staff units per each additional forty-
15 three and one-half average annual full-time equivalent students;

16 (iii) Districts receiving staff units under this subsection shall
17 add students enrolled in a district alternative high school and any
18 grades nine through twelve alternative learning experience programs
19 with the small high school enrollment for calculations under this
20 subsection;

21 (d) For each nonhigh school district having an enrollment of more
22 than seventy annual average full-time equivalent students and less
23 than one hundred eighty students, operating a grades K-8 program or a
24 grades 1-8 program, an additional one-half of a certificated
25 instructional staff unit;

26 (e) For each nonhigh school district having an enrollment of more
27 than fifty annual average full-time equivalent students and less than
28 one hundred eighty students, operating a grades K-6 program or a
29 grades 1-6 program, an additional one-half of a certificated
30 instructional staff unit;

31 (f)(i) For enrollments generating certificated staff unit
32 allocations under (a) through (e) of this subsection, one classified
33 staff unit for each 2.94 certificated staff units allocated under
34 such subsections;

35 (ii) For each nonhigh school district with an enrollment of more
36 than fifty annual average full-time equivalent students and less than
37 one hundred eighty students, an additional one-half of a classified
38 staff unit; and

39 (g) School districts receiving additional staff units to support
40 small student enrollments and remote and necessary plants under this

1 subsection (~~((12))~~) shall generate additional MSOC allocations
2 consistent with the nonemployee related costs (NERC) allocation
3 formula in place for the 2010-11 school year as provided section 502,
4 chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget),
5 adjusted annually for inflation.

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

15 (15) The superintendent may distribute funding for the following
16 programs outside the basic education formula during fiscal years 2018
17 and 2019 as follows:

18 (a) \$638,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$648,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for fire protection for school
21 districts located in a fire protection district as now or hereafter
22 established pursuant to chapter 52.04 RCW.

23 (b) \$436,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$436,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for programs providing skills
26 training for secondary students who are enrolled in extended day
27 school-to-work programs, as approved by the superintendent of public
28 instruction. The funds shall be allocated at a rate not to exceed
29 \$500 per full-time equivalent student enrolled in those programs.

30 (16) \$225,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$229,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for school district emergencies
33 as certified by the superintendent of public instruction. Funding
34 provided must be conditioned upon the written commitment and plan of
35 the school district board of directors to repay the grant with any
36 insurance payments or other judgments that may be awarded, if
37 applicable. At the close of the fiscal year the superintendent of
38 public instruction shall report to the office of financial management

1 and the appropriate fiscal committees of the legislature on the
2 allocations provided to districts and the nature of the emergency.

3 (17) Funding in this section is sufficient to fund a maximum of
4 1.6 FTE enrollment for skills center students pursuant to chapter
5 463, Laws of 2007.

6 (18) Students participating in running start programs may be
7 funded up to a combined maximum enrollment of 1.2 FTE including
8 school district and institution of higher education enrollment
9 consistent with the running start course requirements provided in
10 chapter 202, Laws of 2015 (dual credit education opportunities). In
11 calculating the combined 1.2 FTE, the office of the superintendent of
12 public instruction may average the participating student's September
13 through June enrollment to account for differences in the start and
14 end dates for courses provided by the high school and higher
15 education institution. Additionally, the office of the superintendent
16 of public instruction, in consultation with the state board for
17 community and technical colleges, the student achievement council,
18 and the education data center, shall annually track and report to the
19 fiscal committees of the legislature on the combined FTE experience
20 of students participating in the running start program, including
21 course load analyses at both the high school and community and
22 technical college system.

23 (19) If two or more school districts consolidate and each
24 district was receiving additional basic education formula staff units
25 pursuant to subsection ~~((12))~~ (13) of this section, the following
26 apply:

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

31 (b) For the fourth through eighth school years following
32 consolidation, the difference between the basic education formula
33 staff units received by the districts for the school year prior to
34 consolidation and the basic education formula staff units after
35 consolidation pursuant to subsection ~~((12))~~ (13) of this section
36 shall be reduced in increments of twenty percent per year.

37 (20)(a) Indirect cost charges by a school district to approved
38 career and technical education middle and secondary programs shall
39 not exceed ~~((5-percent))~~ the lesser of five percent or the cap
40 established in federal law of the combined basic education and career

1 and technical education program enhancement allocations of state
2 funds. Middle and secondary career and technical education programs
3 are considered separate programs for funding and financial reporting
4 purposes under this section.

5 (b) Career and technical education program full-time equivalent
6 enrollment shall be reported on the same monthly basis as the
7 enrollment for students eligible for basic support, and payments
8 shall be adjusted for reported career and technical education program
9 enrollments on the same monthly basis as those adjustments for
10 enrollment for students eligible for basic support.

11 (21) Funding in this section is sufficient to provide full
12 general apportionment payments to school districts eligible for
13 federal forest revenues as provided in RCW 28A.520.020. For the
14 2017-2019 biennium only, general apportionment payments are not
15 reduced for school districts receiving federal forest revenues.

16 **Sec. 503.** 2017 3rd sp.s. c 1 s 503 (uncodified) is amended to
17 read as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE**
19 **COMPENSATION**

20 (1) The following calculations determine the salaries used in the
21 state allocations for certificated instructional, certificated
22 administrative, and classified staff units as provided in House Bill
23 No. 2242 (fully funding the program of basic education), RCW
24 28A.150.260, and under section 502 of this act:

25 (a) For the 2017-18 school year, salary allocations for
26 certificated instructional staff units are determined for each
27 district by multiplying the district's certificated instructional
28 total base salary shown on LEAP Document 2 by the district's average
29 staff mix factor for certificated instructional staff in that school
30 year, computed using LEAP document 1.

31 (b) For the 2017-18 school year, salary allocations for
32 certificated administrative staff units and classified staff units
33 for each district are determined based on the district's certificated
34 administrative and classified salary allocation amounts shown on LEAP
35 Document 2.

36 (c) For the 2018-19 school year salary allocations for
37 certificated instructional staff, certificated administrative staff,
38 and classified staff units are determined for each school district by
39 multiplying the statewide minimum salary allocation for each staff

1 type by the school district's regionalization factor shown in LEAP
2 Document 3.

3 Statewide Minimum Salary Allocation

4 For School Year 2018-19

5 Certificated Instructional Staff ((~~\$59,333.55~~))

6 \$65,216.05

7 Certificated Administrative Staff ((~~\$79,127.50~~))

8 \$96,805.00

9 Classified Staff ((~~\$39,975.50~~))

10 \$46,784.33

11 (2) For the purposes of this section:

12 (a) "LEAP Document 1" means the staff mix factors for
13 certificated instructional staff according to education and years of
14 experience, as developed by the legislative evaluation and
15 accountability program committee on June 22, 2017, at 1:14 hours; and

16 (b) "LEAP Document 2" means the school year salary allocations
17 for certificated administrative staff and classified staff and
18 derived and total base salaries for certificated instructional staff
19 as developed by the legislative evaluation and accountability program
20 committee on June 22, 2017, at 1:14 hours.

21 (c) "LEAP Document 3" means the school district regionalization
22 factors for certificated instructional, certificated administrative,
23 and classified staff, as developed by the legislative evaluation and
24 accountability program committee on (~~June 22, 2017, at 1:14 hours~~)
25 February 16, 2018, at 15:56 hours.

26 (3) Incremental fringe benefit factors are applied to salary
27 adjustments at a rate of 22.85 percent for school year 2017-18 and
28 22.85 percent for school year 2018-19 for certificated instructional
29 and certificated administrative staff and 21.10 percent for school
30 year 2017-18 and 21.10 percent for the 2018-19 school year for
31 classified staff.

32 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide
33 salary allocation schedule for certificated instructional staff are
34 established for basic education salary allocations for the 2017-18
35 school year:

36 **Table Of Total Base Salaries For Certificated Instructional Staff**
37 **For School Year 2017-18**

38 *** Education Experience ***

1	Years	MA+90								
2	of	OR								
3	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
4	0	36,521	37,507	38,529	39,554	42,840	44,957	43,785	47,072	49,191
5	1	37,013	38,013	39,048	40,117	43,438	45,543	44,272	47,593	49,697
6	2	37,481	38,491	39,537	40,688	44,000	46,127	44,762	48,073	50,201
7	3	37,964	38,983	40,040	41,229	44,534	46,712	45,227	48,529	50,709
8	4	38,437	39,501	40,565	41,794	45,119	47,313	45,714	49,038	51,234
9	5	38,926	39,995	41,069	42,367	45,679	47,918	46,209	49,522	51,760
10	6	39,428	40,474	41,585	42,948	46,244	48,494	46,716	50,013	52,262
11	7	40,312	41,373	42,498	43,935	47,280	49,593	47,666	51,010	53,324
12	8	41,604	42,724	43,876	45,431	48,822	51,219	49,161	52,552	54,949
13	9		44,122	45,332	46,943	50,413	52,892	50,672	54,143	56,623
14	10			46,805	48,533	52,049	54,611	52,263	55,780	58,340
15	11				50,169	53,761	56,375	53,899	57,492	60,104
16	12				51,753	55,520	58,211	55,600	59,250	61,942
17	13					57,322	60,093	57,360	61,052	63,823
18	14					59,132	62,046	59,172	62,981	65,776
19	15					60,671	63,660	60,710	64,618	67,486
20	16 or					61,884	64,932	61,924	65,910	68,836
21	more									

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

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

- 29 (i) Credits earned since receiving the masters degree; and
- 30 (ii) Any credits in excess of forty-five credits that were earned
31 after the baccalaureate degree but before the masters degree.

32 (5) For the purposes of this section:

- 33 (a) "BA" means a baccalaureate degree.
- 34 (b) "MA" means a masters degree.
- 35 (c) "PHD" means a doctorate degree.

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

3 (e) "Credits" means college quarter hour credits and equivalent
4 in-service credits computed in accordance with RCW 28A.415.020 and
5 28A.415.023.

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

11 (a) The employee has a masters degree; or

12 (b) The credits were used in generating state salary allocations
13 before January 1, 1992.

14 (7) The salary allocations established in this section are for
15 allocation purposes only except as provided in this subsection, and
16 do not entitle an individual staff position to a particular paid
17 salary except as provided in RCW 28A.400.200, as amended by House
18 Bill No. 2242 (fully funding the program of basic education).

19 (8) For school year 2018-19, the salary allocations for each
20 district shall be the greater of:

21 (a) The derived school year 2018-19 salary allocations in
22 subsection (1) of this section; or

23 (b) The derived salary allocations for school year 2017-18
24 increased by 2.3 percent.

25 **Sec. 504.** 2017 3rd sp.s. c 1 s 504 (uncodified) is amended to
26 read as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE**
28 **COMPENSATION ADJUSTMENTS**

29	General Fund—State Appropriation (FY 2018).	((\$216,086,000))
30		<u>\$206,149,000</u>
31	General Fund—State Appropriation (FY 2019).	((\$1,360,536,000))
32		<u>\$2,101,845,000</u>
33	TOTAL APPROPRIATION.	((\$1,576,622,000))
34		<u>\$2,307,994,000</u>

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

1 (1) The salary increases provided in this section are inclusive
2 of and above the annual cost-of-living adjustments pursuant to RCW
3 28A.400.205.

4 ~~(2) ((In addition to salary allocations specified in this~~
5 ~~subsection (1) funding in this subsection includes one day of~~
6 ~~professional learning for each of the funded full-time equivalent~~
7 ~~certificated instructional staff units in school year 2018-19.~~
8 ~~Nothing in this section entitles an individual certificated~~
9 ~~instructional staff to any particular number of professional learning~~
10 ~~days.~~

11 ~~(3))~~(a) The appropriations in this section include associated
12 incremental fringe benefit allocations at 22.85 percent for the
13 2017-18 school year and 22.85 percent for the 2018-19 school year for
14 certificated instructional and certificated administrative staff and
15 21.10 percent for the 2017-18 school year and 21.10 percent for the
16 2018-19 school year for classified staff.

17 (b) The appropriations in this section include the increased or
18 decreased portion of salaries and incremental fringe benefits for all
19 relevant state-funded school programs in part V of this act. Changes
20 for general apportionment (basic education) are based on the salary
21 allocations and methodology in sections 502 and 503 of this act.
22 Changes for special education result from changes in each district's
23 basic education allocation per student. Changes for educational
24 service districts and institutional education programs are determined
25 by the superintendent of public instruction using the methodology for
26 general apportionment salaries and benefits in sections 502 and 503
27 of this act.

28 (c) The appropriations in this section include no salary
29 adjustments for substitute teachers.

30 ~~((4))~~ (3) The maintenance rate for insurance benefit
31 allocations is \$780.00 per month for the 2017-18 and 2018-19 school
32 years. The appropriations in this section reflect the incremental
33 change in cost of allocating rates of \$820.00 per month for the
34 2017-18 school year and ~~(((\$840.00))~~ \$845.18 per month for the 2018-19
35 school year.

36 ~~((5))~~ (4) The rates specified in this section are subject to
37 revision each year by the legislature.

38 (5) \$750,790,000 of the general fund—state appropriation for
39 fiscal year 2019 is provided solely for implementation of Senate Bill

1 No. 6616 (education funding reform). If the bill is not enacted by
2 June 30, 2018, the amount provided in this subsection shall lapse.

3 **Sec. 505.** 2017 3rd sp.s. c 1 s 505 (uncodified) is amended to
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION**

6 General Fund—State Appropriation (FY 2018) (~~(\$502,599,000)~~)
7 \$518,512,000

8 General Fund—State Appropriation (FY 2019) (~~(\$497,940,000)~~)
9 \$529,533,000

10 TOTAL APPROPRIATION. (~~(\$1,000,539,000)~~)
11 \$1,048,045,000

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

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

17 (2)(a) For the 2017-18 and 2018-19 school years, the
18 superintendent shall allocate funding to school district programs for
19 the transportation of eligible students as provided in RCW
20 28A.160.192. Funding in this section constitutes full implementation
21 of RCW 28A.160.192, which enhancement is within the program of basic
22 education. Students are considered eligible only if meeting the
23 definitions provided in RCW 28A.160.160.

24 (b) From July 1, 2017, to August 31, 2017, the superintendent
25 shall allocate funding to school districts programs for the
26 transportation of students as provided in section 505, chapter 4,
27 Laws of 2015 3rd sp. sess., as amended.

28 (3) Within amounts appropriated in this section, up to
29 \$10,000,000 of the general fund—state appropriation for fiscal year
30 2018 and up to \$10,000,000 of the general fund—state appropriation
31 for fiscal year 2019 are for a transportation alternate funding grant
32 program based on the alternate funding process established in RCW
33 28A.160.191. The superintendent of public instruction must include a
34 review of school district efficiency rating, key performance
35 indicators and local school district characteristics such as unique
36 geographic constraints in the grant award process.

37 (4) A maximum of \$913,000 of this fiscal year 2018 appropriation
38 and a maximum of (~~(\$937,000)~~) \$939,000 of the fiscal year 2019

1 appropriation may be expended for regional transportation
2 coordinators and related activities. The transportation coordinators
3 shall ensure that data submitted by school districts for state
4 transportation funding shall, to the greatest extent practical,
5 reflect the actual transportation activity of each district.

6 (5) The office of the superintendent of public instruction shall
7 provide reimbursement funding to a school district for school bus
8 purchases only after the superintendent of public instruction
9 determines that the school bus was purchased from the list
10 established pursuant to RCW 28A.160.195(2) or a comparable
11 competitive bid process based on the lowest price quote based on
12 similar bus categories to those used to establish the list pursuant
13 to RCW 28A.160.195.

14 (6) The superintendent of public instruction shall base
15 depreciation payments for school district buses on the presales tax
16 five-year average of lowest bids in the appropriate category of bus.
17 In the final year on the depreciation schedule, the depreciation
18 payment shall be based on the lowest bid in the appropriate bus
19 category for that school year.

20 (7) Funding levels in this section reflect waivers granted by the
21 state board of education for four-day school weeks as allowed under
22 RCW 28A.305.141.

23 (8) The office of the superintendent of public instruction shall
24 annually disburse payments for bus depreciation in August.

25 (9) \$10,000,000 of the general fund—state appropriation for
26 fiscal year 2019 is provided solely for implementation of Engrossed
27 Second Substitute Senate Bill No. 6362 (basic education funding). If
28 the bill is not enacted by June 30, 2018, the amounts provided in
29 this subsection shall lapse.

30 **Sec. 506.** 2017 3rd sp.s. c 1 s 507 (uncodified) is amended to
31 read as follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION**
33 **PROGRAMS**

34	General Fund—State Appropriation (FY 2018)	. . . .	((\$956,055,000))
35			<u>\$965,613,000</u>
36	General Fund—State Appropriation (FY 2019)	. . . .	((\$989,284,000))
37			<u>\$1,039,875,000</u>
38	General Fund—Federal Appropriation	. . . . .	((\$470,673,000))

1		<u>\$485,054,000</u>
2	Education Legacy Trust Account—State Appropriation . . .	\$54,694,000
3	<u>Pension Funding Stabilization Account—State</u>	
4	<u>Appropriation.</u>	<u>\$20,000</u>
5	TOTAL APPROPRIATION.	((\$2,470,706,000))
6		<u>\$2,545,256,000</u>

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

9 (1)(a) Funding for special education programs is provided on an
10 excess cost basis, pursuant to RCW 28A.150.390. School districts
11 shall ensure that special education students as a class receive their
12 full share of the general apportionment allocation accruing through
13 sections 502 and 504 of this act. To the extent a school district
14 cannot provide an appropriate education for special education
15 students under chapter 28A.155 RCW through the general apportionment
16 allocation, it shall provide services through the special education
17 excess cost allocation funded in this section.

18 (b) Funding provided within this section is sufficient for
19 districts to provide school principals and lead special education
20 teachers annual professional development on the best-practices for
21 special education instruction and strategies for implementation.
22 Districts shall annually provide a summary of professional
23 development activities to the office of the superintendent of public
24 instruction.

25 (2)(a) The superintendent of public instruction shall ensure
26 that:

27 (i) Special education students are basic education students
28 first;

29 (ii) As a class, special education students are entitled to the
30 full basic education allocation; and

31 (iii) Special education students are basic education students for
32 the entire school day.

33 (b) The superintendent of public instruction shall continue to
34 implement the full cost method of excess cost accounting, as designed
35 by the committee and recommended by the superintendent, pursuant to
36 section 501(1)(k), chapter 372, Laws of 2006.

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

1 (4)(a) For the 2017-18 and 2018-19 school years, the
2 superintendent shall allocate funding to school district programs for
3 special education students as provided in RCW 28A.150.390, except
4 that the calculation of the base allocation also includes allocations
5 provided under section 502 (2) and (4) of this act, which enhancement
6 is within the program of basic education.

7 (b) From July 1, 2017, to August 31, 2017, the superintendent
8 shall allocate funding to school district programs for special
9 education students as provided in section 507, chapter 4, Laws of
10 2015 3rd sp. sess., as amended.

11 (5) The following applies throughout this section: The
12 definitions for enrollment and enrollment percent are as specified in
13 RCW 28A.150.390(3). Each district's general fund—state funded special
14 education enrollment shall be the lesser of the district's actual
15 enrollment percent or 13.5 percent.

16 (6) At the request of any interdistrict cooperative of at least
17 15 districts in which all excess cost services for special education
18 students of the districts are provided by the cooperative, the
19 maximum enrollment percent shall be calculated in accordance with RCW
20 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
21 rather than individual district units. For purposes of this
22 subsection, the average basic education allocation per full-time
23 equivalent student shall be calculated in the aggregate rather than
24 individual district units.

25 (7) \$31,087,000 of the general fund—state appropriation for
26 fiscal year 2018, (~~(\$31,087,000)~~) \$49,465,000 of the general fund—
27 state appropriation for fiscal year 2019, and (~~(\$31,024,000)~~)
28 \$29,574,000 of the general fund—federal appropriation are provided
29 solely for safety net awards for districts with demonstrated needs
30 for special education funding beyond the amounts provided in
31 subsection (4) of this section. If the federal safety net awards
32 based on the federal eligibility threshold exceed the federal
33 appropriation in this subsection (7) in any fiscal year, the
34 superintendent shall expend all available federal discretionary funds
35 necessary to meet this need. At the conclusion of each school year,
36 the superintendent shall recover safety net funds that were
37 distributed prospectively but for which districts were not
38 subsequently eligible.

1 (a) For the 2017-18 and 2018-19 school years, safety net funds
2 shall be awarded by the state safety net oversight committee as
3 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

4 (b) The office of the superintendent of public instruction shall
5 make award determinations for state safety net funding in August of
6 each school year, except that the superintendent of public
7 instruction shall make award determinations for state safety net
8 funding in July of each school year for the Washington state school
9 for the blind and for the center for childhood deafness and hearing
10 loss. Determinations on school district eligibility for state safety
11 net awards shall be based on analysis of actual expenditure data from
12 the current school year.

13 (8) (~~(A maximum of \$931,000 may be expended from the general fund~~
14 ~~—state appropriations)) \$465,500 of the general fund—state
15 appropriation for fiscal year 2018 and \$465,500 of the general fund—
16 state appropriation for fiscal year 2019 may be expended to fund 5.43
17 full-time equivalent teachers and 2.1 full-time equivalent aides at
18 children's orthopedic hospital and medical center. This amount is in
19 lieu of money provided through the home and hospital allocation and
20 the special education program.~~

21 (9) The superintendent shall maintain the percentage of federal
22 flow-through to school districts at 85 percent. In addition to other
23 purposes, school districts may use increased federal funds for high-
24 cost students, for purchasing regional special education services
25 from educational service districts, and for staff development
26 activities particularly relating to inclusion issues.

27 (10) A school district may carry over from one year to the next
28 year up to 10 percent of the general fund—state funds allocated under
29 this program; however, carryover funds shall be expended in the
30 special education program.

31 (11) \$256,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$256,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for two additional full-time
34 equivalent staff to support the work of the safety net committee and
35 to provide training and support to districts applying for safety net
36 awards.

37 (12) \$50,000 of the general fund—state appropriation for fiscal
38 year 2018, \$50,000 of the general fund—state appropriation for fiscal
39 year 2019, and \$100,000 of the general fund—federal appropriation are

1 provided solely for a special education family liaison position
2 within the office of the superintendent of public instruction.

3 (13) \$25,201,000 of the general fund—state appropriation is
4 provided solely for basic education special education allocations
5 pursuant to Engrossed Second Substitute Senate Bill No. 6362 (basic
6 education funding). If the bill is not enacted by June 30, 2018, the
7 amount provided in this subsection shall lapse.

8 **Sec. 507.** 2017 3rd sp.s. c 1 s 508 (uncodified) is amended to
9 read as follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE**
11 **DISTRICTS**

12	General Fund—State Appropriation (FY 2018)	. . . . .	((\$8,534,000))
13			<u>\$8,549,000</u>
14	General Fund—State Appropriation (FY 2019)	. . . . .	\$8,558,000
15	TOTAL APPROPRIATION.	. . . . .	((\$17,092,000))
16			<u>\$17,107,000</u>

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

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

22 (2) Funding within this section is provided for regional
23 professional development related to mathematics and science
24 curriculum and instructional strategies aligned with common core
25 state standards and next generation science standards. Funding shall
26 be distributed among the educational service districts in the same
27 proportion as distributions in the 2007-2009 biennium. Each
28 educational service district shall use this funding solely for salary
29 and benefits for a certificated instructional staff with expertise in
30 the appropriate subject matter and in professional development
31 delivery, and for travel, materials, and other expenditures related
32 to providing regional professional development support.

33 (3) The educational service districts, at the request of the
34 state board of education pursuant to RCW 28A.310.010 and 28A.305.130,
35 may receive and screen applications for school accreditation, conduct
36 school accreditation site visits pursuant to state board of education
37 rules, and submit to the state board of education post-site visit
38 recommendations for school accreditation. The educational service

1 districts may assess a cooperative service fee to recover actual plus
2 reasonable indirect costs for the purposes of this subsection.

3 **Sec. 508.** 2017 3rd sp.s. c 1 s 510 (uncodified) is amended to
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL**
6 **EDUCATION PROGRAMS**

7	General Fund—State Appropriation (FY 2018)	. . . . .	((\$13,565,000))
8			<u>\$13,895,000</u>
9	General Fund—State Appropriation (FY 2019)	. . . . .	((\$13,689,000))
10			<u>\$14,087,000</u>
11	TOTAL APPROPRIATION.	. . . . .	((\$27,254,000))
12			<u>\$27,982,000</u>

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

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

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

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

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

30 (5) \$701,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$701,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely to maintain at least one
33 certificated instructional staff and related support services at an
34 institution whenever the K-12 enrollment is not sufficient to support
35 one full-time equivalent certificated instructional staff to furnish
36 the educational program. The following types of institutions are
37 included: Residential programs under the department of social and
38 health services for developmentally disabled juveniles, programs for

1 juveniles under the department of corrections, programs for juveniles
2 under the juvenile rehabilitation administration, and programs for
3 juveniles operated by city and county jails.

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

6 **Sec. 509.** 2017 3rd sp.s. c 1 s 509 (uncodified) is amended to
7 read as follows:

8 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT**
9 **ASSISTANCE**

10	General Fund—State Appropriation (FY 2018)	. . . . .	((\$449,808,000))
11			<u>\$451,423,000</u>
12	General Fund—State Appropriation (FY 2019)	. . . . .	((\$454,876,000))
13			<u>\$425,973,000</u>
14	TOTAL APPROPRIATION.	. . . . .	((\$904,684,000))
15			<u>\$877,396,000</u>

16 The appropriations in this section are subject to the following
17 conditions and limitations: For purposes of RCW 84.52.0531, the
18 increase per full-time equivalent student is 5.85 percent from the
19 2016-17 school year to the 2017-18 school year.

20 **Sec. 510.** 2017 3rd sp.s. c 1 s 511 (uncodified) is amended to
21 read as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY**
23 **CAPABLE STUDENTS**

24	General Fund—State Appropriation (FY 2018)	. . . . .	((\$21,265,000))
25			<u>\$21,447,000</u>
26	General Fund—State Appropriation (FY 2019)	. . . . .	((\$24,306,000))
27			<u>\$24,204,000</u>
28	TOTAL APPROPRIATION.	. . . . .	((\$45,571,000))
29			<u>\$45,651,000</u>

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

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

35 (2) For the 2017-18 and 2018-19 school years, the superintendent
36 shall allocate funding to school district programs for highly capable
37 students as provided in RCW 28A.150.260(10)(c) except that

1 allocations must be based on 5.0 percent of each school district's
 2 full-time equivalent enrollment. In calculating the allocations, the
 3 superintendent shall assume the following: (i) Additional instruction
 4 of 2.1590 hours per week per funded highly capable program student;
 5 (ii) fifteen highly capable program students per teacher; (iii) 36
 6 instructional weeks per year; (iv) 900 instructional hours per
 7 teacher; and (v) the compensation rates as provided in sections 503
 8 and 504 of this act.

9 (b) From July 1, 2017, to August 31, 2017, the superintendent
 10 shall allocate funding to school districts programs for highly
 11 capable students as provided in section 511, chapter 4, Laws of 2015
 12 3rd sp. sess., as amended.

13 (3) \$85,000 of the general fund—state appropriation for fiscal
 14 year 2018 and \$85,000 of the general fund—state appropriation for
 15 fiscal year 2019 are provided solely for the centrum program at Fort
 16 Worden state park.

17 **Sec. 511.** 2017 3rd sp.s. c 1 s 512 (uncodified) is amended to
 18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS—EVERY**
 20 **STUDENT SUCCEEDS ACT**

21 General Fund—Federal Appropriation (~~(\$4,802,000)~~)
 22 \$5,802,000

23 **Sec. 512.** 2017 3rd sp.s. c 1 s 513 (uncodified) is amended to
 24 read as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM**
 26 **PROGRAMS**

27 General Fund—State Appropriation (FY 2018) (~~(\$134,741,000)~~)
 28 \$125,042,000

29 General Fund—State Appropriation (FY 2019) (~~(\$155,464,000)~~)
 30 \$149,217,000

31 General Fund—Federal Appropriation (~~(\$93,320,000)~~)
 32 \$94,820,000

33 General Fund—Private/Local Appropriation \$1,451,000

34 Education Legacy Trust Account—State Appropriation \$1,619,000

35 Pension Funding Stabilization Account—State
 36 Appropriation. \$765,000

37 TOTAL APPROPRIATION. (~~(\$386,595,000)~~)

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

(1) (~~(\$30,421,000)~~) \$21,104,000 of the general fund—state appropriation for fiscal year 2018, (~~(\$26,975,000)~~) \$21,104,000 of the general fund—state appropriation for fiscal year 2019, \$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.

(2) \$356,000 of the general fund—state appropriation for fiscal year 2018 and \$356,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities (~~(coordinated at the Pacific science center)~~), including instructional material purchases, teacher and principal professional development, and school and community engagement events.

(3) \$3,935,000 of the general fund—state appropriation for fiscal year 2018 and \$3,935,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of a new performance-based evaluation for certificated educators and other activities as provided in chapter 235, Laws of 2010 (education reform) and chapter 35, Laws of 2012 (certificated employee evaluations).

(4) (~~(\$62,672,000)~~) \$62,674,000 of the general fund—state appropriation for fiscal year 2018 and (~~(\$82,665,000)~~) \$82,670,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(a) For national board certified teachers, a bonus of \$5,296 per teacher in the 2017-18 school year and a bonus of \$5,381 per teacher in the 2018-19 school year;

(b) An additional \$5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, (B) middle schools where at

1 least 60 percent of student headcount enrollment is eligible for
2 federal free or reduced-price lunch, or (C) elementary schools where
3 at least 70 percent of student headcount enrollment is eligible for
4 federal free or reduced-price lunch;

5 (c) The superintendent of public instruction shall adopt rules to
6 ensure that national board certified teachers meet the qualifications
7 for bonuses under (b) of this subsection for less than one full
8 school year receive bonuses in a prorated manner. All bonuses in this
9 subsection will be paid in July of each school year. Bonuses in this
10 subsection shall be reduced by a factor of 40 percent for first year
11 NBPTS certified teachers, to reflect the portion of the instructional
12 school year they are certified; and

13 (d) During the 2017-18 and 2018-19 school years, and within
14 available funds, certificated instructional staff who have met the
15 eligibility requirements and have applied for certification from the
16 national board for professional teaching standards may receive a
17 conditional loan of two thousand dollars or the amount set by the
18 office of the superintendent of public instruction to contribute
19 toward the current assessment fee, not including the initial up-front
20 candidacy payment. The fee shall be an advance on the first annual
21 bonus under RCW 28A.405.415. The conditional loan is provided in
22 addition to compensation received under a district's salary
23 allocation and shall not be included in calculations of a district's
24 average salary and associated salary limitation under RCW
25 28A.400.200. Recipients who fail to receive certification after three
26 years are required to repay the conditional loan. The office of the
27 superintendent of public instruction shall adopt rules to define the
28 terms for initial grant of the assessment fee and repayment,
29 including applicable fees. To the extent necessary, the
30 superintendent may use revenues from the repayment of conditional
31 loan scholarships to ensure payment of all national board bonus
32 payments required by this section in each school year.

33 (5) \$477,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$477,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for the leadership internship
36 program for superintendents, principals, and program administrators.

37 (6) \$950,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$950,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for the Washington reading

1 corps. The superintendent shall allocate reading corps members to
2 schools identified for comprehensive or targeted support and school
3 districts that are implementing comprehensive, proven, research-based
4 reading programs. Two or more schools may combine their Washington
5 reading corps programs.

6 (7) \$810,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$810,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the development of a
9 leadership academy for school principals and administrators. The
10 superintendent of public instruction shall contract with an
11 independent organization to operate a state-of-the-art education
12 leadership academy that will be accessible throughout the state.
13 Semiannually the independent organization shall report on amounts
14 committed by foundations and others to support the development and
15 implementation of this program. Leadership academy partners shall
16 include the state level organizations for school administrators and
17 principals, the superintendent of public instruction, the
18 professional educator standards board, and others as the independent
19 organization shall identify.

20 (8) \$3,000,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$3,000,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for a statewide information
23 technology (IT) academy program. This public-private partnership will
24 provide educational software, as well as IT certification and
25 software training opportunities for students and staff in public
26 schools.

27 (9) \$1,802,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$1,802,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for secondary career and
30 technical education grants pursuant to chapter 170, Laws of 2008. If
31 equally matched by private donations, \$825,000 of the 2018
32 appropriation and \$825,000 of the 2019 appropriation shall be used to
33 support FIRST robotics programs. Of the amounts in this subsection,
34 \$100,000 of the fiscal year 2018 appropriation and \$100,000 of the
35 fiscal year 2019 appropriation are provided solely for the purpose of
36 statewide supervision activities for career and technical education
37 student leadership organizations.

38 (10) \$125,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$125,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for (a) staff at the office of
2 the superintendent of public instruction to coordinate and promote
3 efforts to develop integrated math, science, technology, and
4 engineering programs in schools and districts across the state; and
5 (b) grants of \$2,500 to provide twenty middle and high school
6 teachers each year with professional development training for
7 implementing integrated math, science, technology, and engineering
8 programs in their schools.

9 (11) \$135,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$135,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for science, technology,
12 engineering and mathematics lighthouse projects, consistent with
13 chapter 238, Laws of 2010.

14 (12) \$10,500,000 of the general fund—state appropriation for
15 fiscal year 2018 and \$10,500,000 of the general fund—state
16 appropriation for fiscal year 2019 are provided solely for a
17 beginning educator support program. The program shall prioritize
18 first year teachers in the mentoring program. School districts and/or
19 regional consortia may apply for grant funding. The program provided
20 by a district and/or regional consortia shall include: A paid
21 orientation; assignment of a qualified mentor; development of a
22 professional growth plan for each beginning teacher aligned with
23 professional certification; release time for mentors and new teachers
24 to work together; and teacher observation time with accomplished
25 peers. Funding may be used to provide statewide professional
26 development opportunities for mentors and beginning educators.

27 (13) \$250,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$250,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for advanced project lead the
30 way courses at ten high schools. To be eligible for funding in 2018,
31 a high school must have offered a foundational project lead the way
32 course during the 2016-17 school year. The 2018 funding must be used
33 for one-time start-up course costs for an advanced project lead the
34 way course, to be offered to students beginning in the 2017-18 school
35 year. To be eligible for funding in 2019, a high school must have
36 offered a foundational project lead the way course during the 2017-18
37 school year. The 2018 funding must be used for one-time start-up
38 course costs for an advanced project lead the way course, to be
39 offered to students beginning in the 2018-19 school year. The office

1 of the superintendent of public instruction and the education
2 research and data center at the office of financial management shall
3 track student participation and long-term outcome data.

4 (14) \$9,352,000 of the general fund—state appropriation for
5 fiscal year 2018 and \$14,352,000 of the general fund—state
6 appropriation for fiscal year 2019 are provided solely for
7 implementation of chapter 159, Laws of 2013. By January 15, 2018, the
8 superintendent of public instruction shall submit a plan to the
9 fiscal committees of the legislature outlining the additional school
10 accountability supports that will be implemented as a result of the
11 increased appropriation provided in fiscal year 2019. Of the amount
12 provided in this subsection, \$5,000,000 of the general fund—state
13 appropriation for fiscal year 2019 is provided solely for expenditure
14 contingent upon legislative approval of the superintendent's plan for
15 additional school accountability supports, and the superintendent may
16 not spend that amount until approval is received.

17 (15) \$450,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$450,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for annual start-up, expansion,
20 or maintenance of existing programs in aerospace and advanced
21 manufacturing programs. To be eligible for funding, the skills center
22 and high schools must agree to engage in developing local business
23 and industry partnerships for oversight and input regarding program
24 components. Program instructors must also agree to participate in
25 professional development leading to student employment, or
26 certification in aerospace or advanced manufacturing industries as
27 determined by the superintendent of public instruction. The office of
28 the superintendent of public instruction and the education research
29 and data center shall report annually student participation and long-
30 term outcome data.

31 (16) \$5,000,000 of the general fund—state appropriation for
32 fiscal year 2018 and \$4,000,000 of the general fund—state
33 appropriation for fiscal year 2019 are provided solely for the
34 provision of training for teachers in the performance-based teacher
35 principal evaluation program.

36 (17) \$100,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$100,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely to promote the financial

1 literacy of students. The effort will be coordinated through the
2 financial literacy public-private partnership.

3 (18) \$2,194,000 of the general fund—state appropriation for
4 fiscal year 2018 and \$2,194,000 of the general fund—state
5 appropriation for fiscal year 2019 are provided solely to implement
6 chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate
7 Bill No. 5946) (strengthening student educational outcomes).

8 (19) \$36,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$36,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for chapter 212, Laws of 2014
11 (Substitute Senate Bill No. 6074) (homeless student educational
12 outcomes).

13 (20) \$80,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$40,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for chapter 219, Laws of 2014
16 (Second Substitute Senate Bill No. 6163) (expanded learning).

17 (21) \$10,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$10,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for chapter 102, Laws of 2014
20 (Senate Bill No. 6424) (biliteracy seal).

21 (22) \$500,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$500,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the office of the
24 superintendent of public instruction to contract with a nonprofit
25 organization to integrate the state learning standards in English
26 language arts, mathematics, and science with FieldSTEM outdoor field
27 studies and project-based and work-based learning opportunities
28 aligned with the environmental, natural resource, and agricultural
29 sectors.

30 (23) Within the amounts provided in this section, the
31 superintendent of public instruction shall obtain an existing student
32 assessment inventory tool that is free and openly licensed and
33 distribute the tool to every school district. Each school district
34 shall use the student assessment inventory tool to identify all
35 state-level and district-level assessments that are required of
36 students. The state-required assessments should include: Reading
37 proficiency assessments used for compliance with RCW 28A.320.202; the
38 required statewide assessments under chapter 28A.655 RCW in grades
39 three through eight and at the high school level in English language

1 arts, mathematics, and science, as well as the practice and training
2 tests used to prepare for them; and the high school end-of-course
3 exams in mathematics under RCW 28A.655.066. District-required
4 assessments should include: Any screenings of students for indicators
5 of dyslexia in accordance with section 5, chapter . . . (Engrossed
6 Second Substitute Senate Bill No. 6162, dyslexia screening), Laws of
7 2018; the second grade reading assessment used to comply with RCW
8 28A.300.320; interim smarter balanced assessments, if required; the
9 measures of academic progress assessment, if required; and other
10 required interim, benchmark, or summative standardized assessments,
11 including assessments used in social studies, the arts, health, and
12 physical education in accordance with RCW 28A.230.095, and for
13 educational technology in accordance with RCW 28A.655.075. The
14 assessments identified should not include assessments used to
15 determine eligibility for any categorical program including the
16 transitional bilingual instruction program, learning assistance
17 program, highly capable program, special education program, or any
18 formative or diagnostic assessments used solely to inform teacher
19 instructional practices, other than those already identified. By
20 October 15th of each year, each district shall report to the
21 superintendent the amount of student time in the previous school year
22 that is spent taking each assessment identified. By December 15th of
23 each year, the superintendent shall summarize the information
24 reported by the school districts and report to the education
25 committees of the house of representatives and the senate.

26 (24) Sufficient amounts are appropriated in this section for the
27 office of the superintendent of public instruction to create a
28 process and provide assistance to school districts in planning for
29 future implementation of the summer knowledge improvement program
30 grants.

31 (25) \$125,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$125,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the office of the
34 superintendent of public instruction to contract with a nonprofit
35 501(c)(3) that provides direct services to children exclusively
36 through one-to-one volunteer mentoring with a child for the life of
37 the mentoring partnership. The mentor, student, and parent must each
38 receive monthly coaching from professional staff in the first year,
39 and bimonthly coaching from professional staff in subsequent years. A
40 majority of the children supported through this program must be

1 higher risk children and a significant number of these programs
2 offered to these children must be in rural areas of the state.

3 **Sec. 513.** 2017 3rd sp.s. c 1 s 514 (uncodified) is amended to
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL**
6 **BILINGUAL PROGRAMS**

7	General Fund—State Appropriation (FY 2018)	((\$147,948,000))
8		<u>\$151,022,000</u>
9	General Fund—State Appropriation (FY 2019)	((\$157,744,000))
10		<u>\$158,471,000</u>
11	General Fund—Federal Appropriation	((\$92,244,000))
12		<u>\$97,244,000</u>
13	<u>Pension Funding Stabilization Account—State</u>	
14	<u>Appropriation.</u>	<u>\$4,000</u>
15	TOTAL APPROPRIATION.	((\$397,936,000))
16		<u>\$406,741,000</u>

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

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

22 (2)(a) For the 2017-18 and 2018-19 school years, the
23 superintendent shall allocate funding to school districts for
24 transitional bilingual programs under RCW 28A.180.010 through
25 28A.180.080, including programs for exited students, as provided in
26 RCW 28A.150.260(10)(b) and the provisions of this section. In
27 calculating the allocations, the superintendent shall assume the
28 following averages: (i) Additional instruction of 4.7780 hours per
29 week per transitional bilingual program student in grades
30 kindergarten through six and 6.7780 hours per week per transitional
31 bilingual program student in grades seven through twelve in school
32 years 2017-18 and 2018-19; (ii) additional instruction of 3.0000
33 hours per week in school years 2017-18 and 2018-19 for the head count
34 number of students who have exited the transitional bilingual
35 instruction program within the previous two years based on their
36 performance on the English proficiency assessment; (iii) fifteen
37 transitional bilingual program students per teacher; (iv) 36
38 instructional weeks per year; (v) 900 instructional hours per

1 teacher; and (vi) the compensation rates as provided in sections 503
2 and 504 of this act. Pursuant to RCW 28A.180.040(1)(g), the
3 instructional hours specified in (a)(ii) of this subsection (2) are
4 within the program of basic education.

5 (b) From July 1, 2017, to August 31, 2017, the superintendent
6 shall allocate funding to school districts for transitional bilingual
7 instruction programs as provided in section 514, chapter 4, Laws of
8 2015, 3rd sp. sess., as amended.

9 (3) The superintendent may withhold allocations to school
10 districts in subsection (2) of this section solely for the central
11 provision of assessments as provided in RCW 28A.180.090 (1) and (2)
12 up to the following amounts: (~~(2.55)~~) 2.50 percent for school year
13 2017-18 and 2.57 percent for school year 2018-19.

14 (4) The general fund—federal appropriation in this section is for
15 migrant education under Title I Part C and English language
16 acquisition, and language enhancement grants under Title III of the
17 elementary and secondary education act.

18 (5) \$35,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$35,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely to track current and former
21 transitional bilingual program students.

22 **Sec. 514.** 2017 3rd sp.s. c 1 s 515 (uncodified) is amended to
23 read as follows:

24 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING**
25 **ASSISTANCE PROGRAM**

26	General Fund—State Appropriation (FY 2018)	. . . .	((\$326,233,000))
27			<u>\$323,386,000</u>
28	General Fund—State Appropriation (FY 2019)	. . . .	((\$355,633,000))
29			<u>\$347,889,000</u>
30	General Fund—Federal Appropriation	. . . . .	((\$505,487,000))
31			<u>\$519,487,000</u>
32	TOTAL APPROPRIATION.	. . . . .	((\$1,187,353,000))
33			<u>\$1,190,762,000</u>

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

36 (1) The general fund—state appropriations in this section are
37 subject to the following conditions and limitations:

1 (a) The appropriations include such funds as are necessary to
2 complete the school year ending in the fiscal year and for prior
3 fiscal year adjustments.

4 (b)(i) For the 2017-18 and 2018-19 school years, the
5 superintendent shall allocate funding to school districts for
6 learning assistance programs as provided in RCW 28A.150.260(10)(a),
7 except that the allocation for the additional instructional hours
8 shall be enhanced as provided in this section, which enhancements are
9 within the program of the basic education. In calculating the
10 allocations, the superintendent shall assume the following averages:

11 (A) Additional instruction of 2.3975 hours per week per funded
12 learning assistance program student for the 2017-18 and 2018-19
13 school years; (B) additional instruction of 1.1 hours per week per
14 funded learning assistance program student for the 2017-18 and
15 2018-19 school years in qualifying high-poverty school building; (C)
16 fifteen learning assistance program students per teacher; (D) 36
17 instructional weeks per year; (E) 900 instructional hours per
18 teacher; and (F) the compensation rates as provided in sections 503
19 and 504 of this act.

20 (ii) From July 1, 2017, to August 31, 2017, the superintendent
21 shall allocate funding to school districts for learning assistance
22 programs as provided in section 515, chapter 4, Laws of 2015, 3rd sp.
23 sess., as amended.

24 (c) A school district's funded students for the learning
25 assistance program shall be the sum of the district's full-time
26 equivalent enrollment in grades K-12 for the prior school year
27 multiplied by the district's percentage of October headcount
28 enrollment in grades K-12 eligible for free or reduced-price lunch in
29 the prior school year. The prior school year's October headcount
30 enrollment for free and reduced-price lunch shall be as reported in
31 the comprehensive education data and research system.

32 (2) Allocations made pursuant to subsection (1) of this section
33 shall be adjusted to reflect ineligible applications identified
34 through the annual income verification process required by the
35 national school lunch program, as recommended in the report of the
36 state auditor on the learning assistance program dated February,
37 2010.

38 (3) The general fund—federal appropriation in this section is
39 provided for Title I Part A allocations of the every student succeeds
40 act of 2016.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) Within existing resources, during the 2017-18 and 2018-19 school years, school districts are authorized to use funds allocated for the learning assistance program to also provide assistance to high school students who have not passed the state assessment in science.

Sec. 515. 2017 3rd sp.s. c 1 s 516 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—PER PUPIL ALLOCATIONS

	Statewide Average Allocations	
	Per Annual Average Full-Time Equivalent Student	
Basic Education Program	2017-18	2018-19
	School	School
	Year	Year
General Apportionment	(((\$7,038))	(((\$8,037))
	<u>\$7,063</u>	<u>\$8,724</u>
Pupil Transportation	(((\$422))	(((\$485))
	<u>\$429</u>	<u>\$531</u>
Special Education	(((\$6,920))	(((\$7,875))
Programs	<u>\$6,897</u>	<u>\$8,852</u>
Institutional Education	(((\$13,476))	(((\$15,369))
Programs	<u>\$14,401</u>	<u>\$17,791</u>
Programs for Highly	(((\$455))	(((\$525))
Capable Students	<u>\$457</u>	<u>\$569</u>
Transitional Bilingual	(((\$1,024))	(((\$1,163))
Programs	<u>\$1,028</u>	<u>\$1,247</u>
Learning Assistance	(((\$735))	(((\$849))
Program	<u>\$738</u>	<u>\$919</u>

Sec. 516. 2017 3rd sp.s. c 1 s 518 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

1 (1) Amounts distributed to districts by the superintendent
2 through part V of this act are for allocations purposes only, unless
3 specified by part V of this act, and do not entitle a particular
4 district, district employee, or student to a specific service, beyond
5 what has been expressly provided in statute. Part V of this act
6 restates the requirements of various sections of Title 28A RCW. If
7 any conflict exists, the provisions of Title 28A RCW control unless
8 this act explicitly states that it is providing an enhancement. Any
9 amounts provided in part V of this act in excess of the amounts
10 required by Title 28A RCW provided in statute, are not within the
11 program of basic education unless clearly stated by this act.

12 (2) To the maximum extent practicable, when adopting new or
13 revised rules or policies relating to the administration of
14 allocations in part V of this act that result in fiscal impact, the
15 office of the superintendent of public instruction shall attempt to
16 seek legislative approval through the budget request process.

17 (3) Appropriations made in this act to the office of the
18 superintendent of public instruction shall initially be allotted as
19 required by this act. Subsequent allotment modifications shall not
20 include transfers of moneys between sections of this act except as
21 expressly provided in subsection (4) of this section.

22 (4) The appropriations to the office of the superintendent of
23 public instruction in this act shall be expended for the programs and
24 amounts specified in this act. However, after May 1, 2018, unless
25 specifically prohibited by this act and after approval by the
26 director of financial management, the superintendent of public
27 instruction may transfer state general fund appropriations for fiscal
28 year 2018 among the following programs to meet the apportionment
29 schedule for a specified formula in another of these programs:
30 General apportionment, employee compensation adjustments, pupil
31 transportation, special education programs, institutional education
32 programs, transitional bilingual programs, highly capable, and
33 learning assistance programs.

34 (5) The director of financial management shall notify the
35 appropriate legislative fiscal committees in writing prior to
36 approving any allotment modifications or transfers under this
37 section.

38 (6) As required by RCW 28A.710.110, the office of the
39 superintendent of public instruction shall transmit the charter

1 school authorizer oversight fee for the charter school commission to
2 the charter school oversight account.

3 **Sec. 517.** 2017 3rd sp.s. c 1 s 519 (uncodified) is amended to
4 read as follows:

5 **FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR**
6 **CHARTER SCHOOLS**

7 Washington Opportunity Pathways Account—State
8 Appropriation ((~~\$62,713,000~~))
9 \$55,524,000

10 The appropriation in this section is subject to the following
11 conditions and limitations:

12 (1) The superintendent shall distribute funding appropriated in
13 this section to charter schools under chapter 28A.710 RCW. Within
14 amounts provided in this section the superintendent may distribute
15 funding for safety net awards for charter schools with demonstrated
16 needs for special education funding beyond the amounts provided under
17 chapter 28A.710 RCW.

18 (2) \$2,372,000 of the Washington opportunity pathways account—
19 state appropriation is provided solely for implementation of
20 Engrossed Second Substitute Senate Bill No. 6362 (basic education
21 funding). If the bill is not enacted by June 30, 2018, the amount
22 provided in this subsection shall lapse.

23 **Sec. 518.** 2017 3rd sp.s. c 1 s 520 (uncodified) is amended to
24 read as follows:

25 **FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE**
26 **WASHINGTON STATE CHARTER SCHOOL COMMISSION**

27 Washington Opportunity Pathways Account—State
28 Appropriation ((~~\$477,000~~))
29 \$862,000
30 Charter Schools Oversight Account—State Appropriation ((~~\$1,958,000~~))
31 \$1,572,000
32 TOTAL APPROPRIATION ((~~\$2,435,000~~))
33 \$2,434,000

34 The appropriations in this section are subject to the following
35 conditions and limitations: The entire Washington opportunity
36 pathways account—state appropriation in this section is provided to
37 the superintendent of public instruction solely for the operations of

1 the Washington state charter school commission under chapter 28A.710
2 RCW.

(End of part)

PART VI
HIGHER EDUCATION

Sec. 601. 2017 3rd sp.s. c 1 s 605 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2018)	((\$662,672,000))
	<u>\$629,058,000</u>
General Fund—State Appropriation (FY 2019)	((\$668,368,000))
	<u>\$673,281,000</u>
Community/Technical College Capital Projects	
Account—State Appropriation.	((\$23,841,000))
	<u>\$21,618,000</u>
Education Legacy Trust Account—State Appropriation	((\$138,314,000))
	<u>\$138,318,000</u>
<u>Pension Funding Stabilization Account—State</u>	
<u>Appropriation.</u>	<u>\$67,897,000</u>
TOTAL APPROPRIATION.	((\$1,493,195,000))
	<u>\$1,530,172,000</u>

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 2018 and \$33,261,000 of the general fund—state appropriation for fiscal year 2019 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 2018 and at least 7,170 full-time equivalent students in fiscal year 2019.

(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) \$425,000 of the general fund—state appropriation for fiscal year 2018 and \$425,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for Seattle central college's
2 expansion of allied health programs.

3 (4) \$5,250,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$5,250,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the student achievement
6 initiative.

7 (5) \$1,610,000 of the general fund—state appropriation for fiscal
8 year 2018, and \$1,610,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for the expansion of the
10 mathematics, engineering, and science achievement program. The state
11 board shall report back to the appropriate committees of the
12 legislature on the number of campuses and students served by December
13 31, 2018.

14 (6) \$1,500,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$1,500,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for implementation of guided
17 pathways or similar programs designed to improve student success,
18 including, but not limited to, academic program redesign, student
19 advising, and other student supports.

20 (7) \$1,500,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$1,500,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for operating a fabrication
23 composite wing incumbent worker training program to be housed at the
24 Washington aerospace training and research center.

25 (8) \$100,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$100,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for the aerospace center of
28 excellence currently hosted by Everett community college to:

29 (a) Increase statewide communications and outreach between
30 industry sectors, industry organizations, businesses, K-12 schools,
31 colleges, and universities;

32 (b) Enhance information technology to increase business and
33 student accessibility and use of the center's web site; and

34 (c) Act as the information entry point for prospective students
35 and job seekers regarding education, training, and employment in the
36 industry.

37 (9) (~~(\$18,588,000)~~) \$18,697,000 of the general fund—state
38 appropriation for fiscal year 2018 and (~~(\$18,960,000)~~) \$19,165,000 of
39 the general fund—state appropriation for fiscal year 2019 are

1 provided solely for the implementation of the college affordability
2 program as set forth in RCW 28B.15.066.

3 (10) Community and technical colleges are not required to send
4 mass mailings of course catalogs to residents of their districts.
5 Community and technical colleges shall consider lower cost
6 alternatives, such as mailing postcards or brochures that direct
7 individuals to online information and other ways of acquiring print
8 catalogs.

9 (11) The state board for community and technical colleges shall
10 not use funds appropriated in this section to support intercollegiate
11 athletics programs.

12 (12) \$157,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$157,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for the Wenatchee Valley college
15 wildfire prevention program.

16 (13) \$100,000 of the general fund—state appropriation for fiscal
17 year 2018 is provided solely for implementation of chapter 154, Laws
18 of 2017 (SSB 5022) (education loan information).

19 (14) \$185,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$185,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for implementation of chapter
22 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

23 (15) \$41,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$42,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for implementation of chapter
26 98, Laws of 2017 (E2SHB 1375) (ctc course material costs).

27 (16) \$158,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$5,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for implementation of chapter
30 237, Laws of 2017 (ESHB 1115) (paraeducators).

31 (17) \$150,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$150,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for program delivery through
34 Green River College to the Covington area and southeast King county
35 in response to the education needs assessment conducted by the
36 student achievement council in the 2015-2017 fiscal biennium.

37 (18) \$60,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$60,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for a youth development program

1 operated by Everett community college in conjunction with a county
2 chapter of a national civil rights organization.

3 (19) \$750,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$750,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for increased enrollments in the
6 integrated basic education and skills training program. Funding will
7 support approximately 120 additional full-time equivalent enrollments
8 annually.

9 (20)(a) The state board must provide quality assurance reports on
10 the ctcLink project at the frequency directed by the office of chief
11 information officer for review and for posting on its information
12 technology project dashboard.

13 (b) The state board must develop a technology budget using a
14 method similar to the state capital budget, identifying project
15 costs, funding sources, and anticipated deliverables through each
16 stage of the investment and across fiscal periods and biennia from
17 project initiation to implementation. The budget must be updated at
18 the frequency directed by the office of chief information officer for
19 review and for posting on its information technology project
20 dashboard.

21 (c) The office of the chief information officer may suspend the
22 ctcLink project at any time if the office of the chief information
23 officer determines that the project is not meeting or is not expected
24 to meet anticipated performance measures, implementation timelines,
25 or budget estimates. Once suspension or termination occurs, the state
26 board shall not make additional expenditures on the ctcLink project
27 without approval of the chief information officer. The ctcLink
28 project funded through the community and technical college innovation
29 account created in RCW 28B.50.515 is subject to the conditions,
30 limitations, and review provided in section 724 of this act.

31 (21) \$150,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$150,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the aerospace center of
34 excellence hosted by Everett Community College to develop an unmanned
35 aircraft system program in Sunnyside.

36 (22) \$150,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$150,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for the state board to continue
39 the feasibility study for a potential new community and technical

1 college in the Graham, Washington area that was first authorized by
 2 section 605, chapter 4, Laws of 2015 3rd sp. sess. The feasibility
 3 study shall be accomplished by continuing to expand enrollment and
 4 classes at the Graham-Kapowsin high school and gathering data, such
 5 as enrollment numbers, future class interest, and student profile
 6 data, from students who participate. The feasibility study shall
 7 specifically address the intent of pursuing the establishment of a
 8 community college in the Graham, Washington area and the state board
 9 of community and technical colleges shall report to the legislature
 10 the findings of the feasibility study by December 31, 2018.

11 (23) \$42,000 of the general fund—state appropriation for fiscal
 12 year 2019 is provided solely for implementation of Senate Bill No.
 13 5028 (Native American curriculum). If the bill is not enacted by June
 14 30, 2018, the amount provided in this subsection shall lapse.

15 (24) \$800,000 of the general fund—state appropriation for fiscal
 16 year 2019 is provided solely for Highline college to implement the
 17 Federal Way higher education initiative in partnership with the city
 18 of Federal Way and the University of Washington Tacoma campus.

19 (25) \$36,747,000 of the general fund—state appropriation for
 20 fiscal year 2019 is provided solely for the implementation of Senate
 21 Bill No. 6543 (community and technical college tuition). If the bill
 22 is not enacted by June 30, 2018, the amount provided in this
 23 subsection shall lapse.

24 **Sec. 602.** 2017 3rd sp.s. c 1 s 606 (uncodified) is amended to
 25 read as follows:

26 **FOR THE UNIVERSITY OF WASHINGTON**

27	General Fund—State Appropriation (FY 2018)	. . . .	((\$336,712,000))
28			\$310,414,000
29	General Fund—State Appropriation (FY 2019)	. . . .	((\$353,811,000))
30			\$327,621,000
31	Aquatic Lands Enhancement Account—State Appropriation	. .	\$1,350,000
32	UW Building Account—State Appropriation	. . . . .	\$1,052,000
33	Education Legacy Trust Account—State Appropriation	. .	((\$30,050,000))
34			<u>\$33,050,000</u>
35	Economic Development Strategic Reserve Account—State		
36	Appropriation	. . . . .	\$3,035,000
37	Biotoxin Account—State Appropriation	. . . . .	\$597,000
38	Dedicated Marijuana Account—State Appropriation		

1	(FY 2018).	\$247,000
2	Dedicated Marijuana Account—State Appropriation	
3	(FY 2019).	\$247,000
4	<u>Pension Funding Stabilization Account—State</u>	
5	<u>Appropriation.</u>	<u>\$51,068,000</u>
6	Accident Account—State Appropriation	((\$7,436,000))
7		<u>\$7,686,000</u>
8	Medical Aid Account—State Appropriation	((\$7,042,000))
9		<u>\$7,283,000</u>
10	TOTAL APPROPRIATION.	((\$741,579,000))
11		<u>\$743,650,000</u>

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

14 (1) \$52,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$52,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for the center for international
17 trade in forest products in the college of forest resources.

18 (2) ((~~\$38,581,000~~)) \$38,807,000 of the general fund—state
19 appropriation for fiscal year 2018 and ((~~\$39,353,000~~)) \$39,777,000 of
20 the general fund—state appropriation for fiscal year 2019 are
21 provided solely for the implementation of the college affordability
22 program as set forth in RCW 28B.15.066.

23 (3) \$200,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$200,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for labor archives of
26 Washington. The university shall work in collaboration with the state
27 board for community and technical colleges.

28 (4) \$8,000,000 of the education legacy trust account—state
29 appropriation is provided solely for the family medicine residency
30 network at the university to expand the number of residency slots
31 available in Washington.

32 (5) The university must continue work with the education research
33 and data center to demonstrate progress in computer science and
34 engineering enrollments. By September 1st of each year, the
35 university shall provide a report including but not limited to the
36 cost per student, student completion rates, and the number of low-
37 income students enrolled in each program, any process changes or
38 best-practices implemented by the university, and how many students

1 are enrolled in computer science and engineering programs above the
2 prior academic year.

3 (6) \$1,350,000 of the aquatic lands enhancement account—state is
4 provided solely for ocean acidification monitoring, forecasting, and
5 research and for operation of the Washington ocean acidification
6 center. By September 1, 2017, the center must provide a biennial work
7 plan and begin quarterly progress reports to the Washington marine
8 resources advisory council created under RCW 43.06.338.

9 (7) (~~(\$8,000,000)~~) \$11,000,000 of the education legacy trust
10 account—state appropriation is provided solely for the expansion of
11 degrees in the department of computer science and engineering at the
12 Seattle campus.

13 (8) \$1,000,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$1,000,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for the university to increase
16 resident undergraduate enrollments in science, technology,
17 engineering, and math majors. The university is expected to increase
18 full-time equivalent enrollment by approximately 60 additional
19 students.

20 (9) \$3,000,000 of the economic development strategic reserve
21 account appropriation is provided solely to support the joint center
22 for aerospace innovation technology.

23 (10) The University of Washington shall not use funds
24 appropriated in this section to support intercollegiate athletics
25 programs.

26 (11) \$250,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$250,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for the Latino health center.

29 (12) \$200,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$200,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for the climate impacts group in
32 the college of the environment.

33 (13) \$8,400,000 of the general fund—state appropriation for
34 fiscal year 2018 and \$7,400,000 of the general fund—state
35 appropriation for fiscal year 2019 are provided solely for the
36 continued operations and expansion of the Washington, Wyoming,
37 Alaska, Montana, Idaho medical school program.

1 (14) \$3,200,000 of the general fund—state appropriation for
2 fiscal year 2019 is provided solely for the university to host the
3 Special Olympics USA Games in July 2018.

4 (15) \$5,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$80,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for implementation of chapter
7 262, Laws of 2017 (E2SHB 1612) (lethal means, reduce access).

8 (16) \$400,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$400,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for a contract with the center
11 for sensorimotor neural engineering to advance research on spinal
12 cord injuries.

13 (17) \$2,250,000 of the general fund—state appropriation for
14 fiscal year 2018 and \$2,250,000 of the general fund—state
15 appropriation for fiscal year 2019 are provided solely for the
16 institute for stem cell and regenerative medicine. Funds appropriated
17 in this subsection must be dedicated to research utilizing
18 pluripotent stem cells and related research methods.

19 (18) \$500,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$500,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided to the University of Washington to
22 support youth and young adults experiencing homelessness in the
23 university district of Seattle. Funding is provided for the
24 university to work with community service providers and university
25 colleges and departments to plan for and implement a comprehensive
26 one-stop center with navigation services for homeless youth; the
27 university may contract with the department of commerce to expand
28 services that serve homeless youth in the university district.

29 (19) \$125,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$125,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for the University of Washington
32 school of public health to study the air quality implications of air
33 traffic at the international airport in the state that has the
34 highest total annual number of arrivals and departures. The study
35 must include an assessment of the concentrations of ultrafine
36 particulate matter in areas surrounding and directly impacted by air
37 traffic generated by the airport, including areas within ten miles of
38 the airport in the directions of aircraft flight paths and within ten
39 miles of the airport where public agencies operate an existing air

1 monitoring station. The study must attempt to distinguish between
2 aircraft and other sources of ultrafine particulate matter, and must
3 compare concentrations of ultrafine particulate matter in areas
4 impacted by high volumes of air traffic with concentrations of
5 ultrafine particulate matter in areas that are not impacted by high
6 volumes of air traffic. The university must coordinate with local
7 governments in areas addressed by the study to share results and
8 inclusively solicit feedback from community members. By December 1,
9 2019, the university must report study findings, including any gaps
10 and uncertainties in health information associated with ultrafine
11 particulate matter, and recommend to the legislature whether
12 sufficient information is available to proceed with a second phase of
13 the study.

14 (20) The appropriations in this section include sufficient
15 funding for the implementation of chapter 154, Laws of 2017 (SSB
16 5022) (education loan information).

17 (21) The appropriations in this section include sufficient
18 funding for the implementation of chapter 177, Laws of 2017 (SSB
19 5100) (financial literacy seminars).

20 (22) Within the funds appropriated in this section, the
21 University of Washington shall:

22 (a) Review the scholarly literature on the short-term and long-
23 term effects of marijuana use to assess if other states or private
24 entities are conducting marijuana research in areas that may be
25 useful to the state.

26 (b) Provide as part of its budget request for the 2019-2021
27 biennium:

28 (i) A list of intended state, federal, and privately funded
29 marijuana research, including cost, duration, and scope; and

30 (ii) Plans for partnerships with other universities, state
31 agencies, or private entities, including entities outside the state,
32 for purposes related to researching short-term and long-term effects
33 of marijuana use.

34 (23) General fund—state appropriations in this section are
35 reduced to reflect a reduction in state-supported tuition waivers for
36 graduate students. When reducing tuition waivers, the university will
37 not change its practices and procedures for providing eligible
38 veterans with tuition waivers.

39 (24) \$45,000 of the general fund—state appropriation for fiscal
40 year 2018 is provided solely for the university to conduct research

1 and analysis of military officers who are attending or have completed
2 the command and general staff college, intermediate level education,
3 or advanced operations course as part of their military education.
4 The purpose of the research and analysis is to examine possible
5 graduate level degree programs to be offered in partnership with the
6 university and the U.S. army's command and general staff college. The
7 research and analysis shall include stakeholder meetings with the
8 U.S. army's command and general staff college. The university shall
9 submit a report to the appropriate legislative higher education
10 committees and the joint committee on veterans and military affairs
11 by December 31, 2018. The report shall include the results of the
12 research and analysis and plans for possible next steps with other
13 service schools for field grade officers.

14 (25)(a) \$140,000 of the general fund—state appropriation for
15 fiscal year 2018 is provided solely for the University of Washington
16 school of law to convene a study on the Washington state supreme
17 court decision *Volk v. DeMeerleer*, 386 P.3d 254 (Wash. 2016), and
18 whether or not it substantially changed the law on the duty of care
19 for mental health providers and whether it has had an impact on
20 access to mental health care services in the state. The study shall
21 include:

22 (i) Comprehensive review of duty to warn and duty to protect case
23 law and laws in the United States, including a description of how
24 Washington state's law compares to other states and to what extent,
25 if any, the Volk decision changed the law in this state;

26 (ii) Comprehensive review and assessment of the involuntary and
27 voluntary treatment capacity available in the state, including
28 information and data available from the select committee on quality
29 improvement in state hospitals, related contractors, and other
30 sources;

31 (iii) An analysis of lawsuits brought in the state as a result of
32 the Volk decision, including the outcome of any such cases and any
33 harm alleged in each lawsuit;

34 (iv) An analysis of lawsuits brought in the state prior to the
35 issuance of the Volk decision, and since the issuance of the decision
36 in *Petersen v. State*, against outpatient mental health providers
37 alleged to have breached either the duty to warn or the duty to take
38 reasonable precautions established in Petersen, including the outcome
39 of any such cases and the harm alleged in each lawsuit;

1 (v) An analysis of insurance claims filed as a result of the Volk
2 decision, including the outcome of any such cases and any harm
3 alleged in each claim filed;

4 (vi) Whether insurance policy provisions and rates have been
5 affected due to the Volk decision;

6 (vii) Assessment of the number of mental health service providers
7 available to provide treatment to voluntary mental health patients in
8 the state, whether that capacity has changed, and whether any such
9 change is a result of the Volk decision, and a description of any
10 changes as a result of the Volk decision;

11 (viii) Assessment of whether mental health service providers may
12 be changing practice to limit exposure to the potential risks created
13 by the Volk decision;

14 (ix) Assessment of legal and practice implications state legal
15 standards regarding duty to warn and duty to protect in the voluntary
16 and involuntary treatment context; and

17 (x) Comprehensive review of practices where the practice has been
18 consistently shown to have achieved the results it seeks to achieve
19 and that those results are superior to those achieved by other means.

20 (b) When performing the study under this subsection, the
21 University of Washington school of law shall consult with subject-
22 matter experts including, but not limited to, individuals
23 representing the following organizations:

24 (i) Attorneys with experience representing defendants in personal
25 injury cases or wrongful death cases related to the issues raised by
26 duty to warn cases;

27 (ii) Washington state association for justice, representing
28 attorneys with experience representing plaintiffs in personal injury
29 cases or wrongful death cases related to the issues raised by duty to
30 warn cases;

31 (iii) Department of social and health services;

32 (iv) Washington academy of family physicians;

33 (v) Washington association for mental health treatment
34 protection;

35 (vi) Office of the insurance commissioner;

36 (vii) Washington council for behavioral health;

37 (viii) Washington state hospital association;

38 (ix) Washington state medical association;

39 (x) Washington state psychiatric association;

40 (xi) Washington state psychological association;

1 (xii) Washington state society for clinical social work;
2 (xiii) Washington association of police chiefs and sheriffs;
3 (xiv) Victim support services;
4 (xv) NW health law advocates;
5 (xvi) National alliance on mental illness;
6 (xvii) American civil liberties union; and
7 (xviii) A sample of families who testified or presented evidence
8 of their cases to the legislature.

9 (c) The University of Washington school of law shall consult each
10 listed organization separately. Following collection and analysis of
11 relevant data, they shall hold at least one meeting of all listed
12 organizations to discuss the data, analysis, and recommendations. The
13 University of Washington school of law must submit the final report
14 to the appropriate committees of the legislature by December 1, 2017.

15 (26) \$250,000 of the accident account—state appropriation and
16 \$241,000 of the medical aid—state appropriation are provided solely
17 for implementation of Substitute Senate Bill No. 6343 (energy workers
18 task force). If the bill is not enacted by June 30, 2018, the amounts
19 provided in this subsection shall lapse.

20 (27) \$128,000 of the general fund—state appropriation for fiscal
21 year 2019 is provided solely for implementation of Senate Bill No.
22 5028 (Native American curriculum). If the bill is not enacted by June
23 30, 2018, the amount provided in this subsection shall lapse.

24 (28) \$1,000,000 of the general fund—state appropriation for
25 fiscal year 2019 is provided solely for the extension for community
26 healthcare outcomes project.

27 (29) \$200,000 of the general fund—state appropriation for fiscal
28 year 2019 is provided solely for the prelaw pipeline and social
29 justice program at the University of Washington Tacoma.

30 (30) \$1,000,000 of the general fund—state appropriation for
31 fiscal year 2019 is provided solely for the University of
32 Washington's psychiatry integrated care training program.

33 **Sec. 603.** 2017 3rd sp.s. c 1 s 607 (uncodified) is amended to
34 read as follows:

35 **FOR WASHINGTON STATE UNIVERSITY**

36 General Fund—State Appropriation (FY 2018) (~~(\$215,329,000)~~)
37 \$200,486,000
38 General Fund—State Appropriation (FY 2019) (~~(\$227,266,000)~~)

1		<u>\$212,524,000</u>
2	WSU Building Account—State Appropriation.	\$792,000
3	<u>Pension Funding Stabilization Account—State</u>	
4	<u>Appropriation.</u>	<u>\$30,983,000</u>
5	Education Legacy Trust Account—State Appropriation	\$33,995,000
6	Dedicated Marijuana Account—State Appropriation	
7	(FY 2018)	\$138,000
8	Dedicated Marijuana Account—State Appropriation	
9	(FY 2019)	\$138,000
10	TOTAL APPROPRIATION.	((\$477,658,000))
11		<u>\$479,056,000</u>

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

14 (1) \$90,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$90,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for a rural economic development
17 and outreach coordinator.

18 (2) The university must continue work with the education research
19 and data center to demonstrate progress in computer science and
20 engineering enrollments. By September 1st of each year, the
21 university shall provide a report including but not limited to the
22 cost per student, student completion rates, and the number of low-
23 income students enrolled in each program, any process changes or
24 best-practices implemented by the university, and how many students
25 are enrolled in computer science and engineering programs above the
26 prior academic year.

27 (3) \$500,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$500,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for state match requirements
30 related to the federal aviation administration grant.

31 (4) Washington State University shall not use funds appropriated
32 in this section to support intercollegiate athletic programs.

33 (5) The appropriations in this section include sufficient funding
34 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
35 (education loan information).

36 (6) The appropriations in this section include sufficient funding
37 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
38 (financial literacy seminars).

1 (7) \$3,000,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$7,000,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the continued development
4 and operations of a medical school program in Spokane.

5 (8) Within the funds appropriated in this section, Washington
6 State University is required to provide administrative support to the
7 sustainable aviation biofuels work group authorized under RCW
8 28B.30.904.

9 (9) \$135,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$135,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for a honey bee biology research
12 position.

13 (10) (~~(\$27,425,000)~~) \$27,585,000 of the general fund—state
14 appropriation for fiscal year 2018 and (~~(\$27,973,000)~~) \$28,275,000 of
15 the general fund—state appropriation for fiscal year 2019 are
16 provided solely for the implementation of the college affordability
17 program as set forth in RCW 28B.15.066.

18 (11) \$230,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$376,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for chapter 202, Laws of 2017
21 (2SHB 1713) (children's mental health).

22 (12) \$300,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$300,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for the William D. Ruckelshaus
25 center to collaborate with groups and organizations, including
26 associations of local governments, associations of the business, real
27 estate and building industries, state agencies, environmental
28 organizations, state universities, public health and planning
29 organizations, and tribal governments, to create a "Road Map to
30 Washington's Future." The road map shall identify areas of agreement
31 on ways to adapt Washington's growth management framework of
32 statutes, institutions, and policies to meet future challenges in
33 view of robust forecasted growth and the unique circumstances and
34 urgent priorities in the diverse regions of the state. The center
35 shall, in conjunction with state universities and other sponsors,
36 conduct regional workshops to:

37 (a) Engage Washington residents in identifying a desired
38 statewide vision for Washington's future;

1 (b) Partner with state universities on targeted research to
2 inform future alternatives;

3 (c) Facilitate deep and candid interviews with representatives of
4 the above named groups and organizations; and

5 (d) Convene parties for collaborative conversations and potential
6 agreement seeking.

7 The center must submit a final report to the appropriate committees
8 of the legislature by June 30, 2019.

9 (13) \$580,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$580,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for the development of an
12 organic agriculture systems degree program located at the university
13 center in Everett.

14 (14) Within the funds appropriated in this section, Washington
15 State University shall:

16 (a) Review the scholarly literature on the short-term and long-
17 term effects of marijuana use to assess if other states or private
18 entities are conducting marijuana research in areas that may be
19 useful to the state.

20 (b) Provide as part of its budget request for the 2019-2021
21 fiscal biennium:

22 (i) A list of intended state, federal, and privately funded
23 marijuana research, including cost, duration, and scope;

24 (ii) Plans for partnerships with other universities, state
25 agencies, or private entities, including entities outside the state,
26 for purposes related to researching short-term and long-term effects
27 of marijuana use.

28 (15) \$760,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$760,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for implementation of chapter
31 159, Laws of 2017 (2SSB 5474) (elk hoof disease).

32 (16) \$630,000 of the general fund—state appropriation for fiscal
33 2018 and \$630,000 of the general fund—state appropriation for fiscal
34 year 2019 are provided solely for the creation of an electrical
35 engineering program located in Bremerton. At full implementation, the
36 university is expected to increase degree production by 25 new
37 bachelor's degrees per year. The university must identify these
38 students separately when providing data to the education research
39 data center as required in subsection (2) of this section.

1 (17) \$1,370,000 of the general fund—state appropriation for
2 fiscal year 2018 and \$1,370,000 of the general fund—state
3 appropriation for fiscal year 2019 are provided solely for the
4 creation of software engineering and data analytic programs at the
5 university center in Everett. At full implementation, the university
6 is expected to enroll 50 students per academic year. The university
7 must identify these students separately when providing data to the
8 education research data center as required in subsection (2) of this
9 section.

10 (18) General fund—state appropriations in this section are
11 reduced to reflect a reduction in state-supported tuition waivers for
12 graduate students. When reducing tuition waivers, the university will
13 not change its practices and procedures for providing eligible
14 veterans with tuition waivers.

15 (19) \$768,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$504,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for implementation of chapter
18 36, Laws of 2017 3rd sp. sess. (renewable energy, tax incentives).

19 (20) \$75,000 of the general fund—state appropriation for fiscal
20 year 2019 is provided solely for the Washington State University tree
21 fruit research and extension center in Wenatchee to create a plan for
22 expansion of graduate research in the greater Wenatchee Valley. This
23 plan may include proposals for new research programs, new or expanded
24 facilities, and other elements necessary to facilitate expansion of
25 graduate research in the greater Wenatchee Valley.

26 (21) \$20,000 of the general fund—state appropriation for fiscal
27 year 2019 is provided solely for implementation of Senate Bill No.
28 6563 (aviation biofuels work group). If the bill is not enacted by
29 June 30, 2018, the amount provided in this subsection shall lapse.

30 (22) \$30,000 of the general fund—state appropriation for fiscal
31 year 2019 is provided solely for implementation of Senate Bill No.
32 5028 (Native American curriculum). If the bill is not enacted by June
33 30, 2018, the amount provided in this subsection shall lapse.

34 **Sec. 604.** 2017 3rd sp.s. c 1 s 608 (uncodified) is amended to
35 read as follows:

36 **FOR EASTERN WASHINGTON UNIVERSITY**

37 General Fund—State Appropriation (FY 2018) (~~(\$50,064,000)~~)
38 \$50,090,000

1	General Fund—State Appropriation (FY 2019)	. . . . .	((\$51,985,000))
2			<u>\$52,080,000</u>
3	Education Legacy Trust Account—State Appropriation	. . .	\$16,598,000
4	TOTAL APPROPRIATION.	. . . . .	((\$118,647,000))
5			<u>\$118,768,000</u>

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

8 (1) At least \$200,000 of the general fund—state appropriation for
9 fiscal year 2018 and at least \$200,000 of the general fund—state
10 appropriation for fiscal year 2019 must be expended on the Northwest
11 autism center.

12 (2) The university must continue work with the education research
13 and data center to demonstrate progress in computer science and
14 engineering enrollments. By September 1st of each year, the
15 university shall provide a report including but not limited to the
16 cost per student, student completion rates, and the number of low-
17 income students enrolled in each program, any process changes or
18 best-practices implemented by the university, and how many students
19 are enrolled in computer science and engineering programs above the
20 prior academic year.

21 (3) Eastern Washington University shall not use funds
22 appropriated in this section to support intercollegiate athletics
23 programs.

24 (4) ((~~\$9,851,000~~)) \$9,909,000 of the general fund—state
25 appropriation for fiscal year 2018 and ((~~\$10,048,000~~)) \$10,157,000 of
26 the general fund—state appropriation for fiscal year 2019 are
27 provided solely for the implementation of the college affordability
28 program as set forth in RCW 28B.15.066.

29 (5) The appropriations in this section include sufficient funding
30 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
31 (education loan information).

32 (6) The appropriations in this section include sufficient funding
33 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
34 (financial literacy seminars).

35 (7) Within amounts appropriated in this section, the university
36 is encouraged to increase the number of tenure-track positions
37 created and hired.

38 (8) \$20,000 of the general fund—state appropriation for fiscal
39 year 2019 is provided solely for implementation of Senate Bill No.

1 5028 (Native American curriculum). If the bill is not enacted by June
2 30, 2018, the amount provided in this subsection shall lapse.

3 **Sec. 605.** 2017 3rd sp.s. c 1 s 609 (uncodified) is amended to
4 read as follows:

5 **FOR CENTRAL WASHINGTON UNIVERSITY**

6	General Fund—State Appropriation (FY 2018)	. . . . .	(\$49,969,000)
7			<u>\$48,136,000</u>
8	General Fund—State Appropriation (FY 2019)	. . . . .	(\$52,303,000)
9			<u>\$50,699,000</u>
10	CWU Capital Projects Account—State Appropriation.	. . . . .	\$76,000
11	Education Legacy Trust Account—State Appropriation	. . .	\$19,076,000
12	<u>Pension Funding Stabilization Account—State</u>		
13	<u>Appropriation.</u>	. . . . .	<u>\$3,921,000</u>
14	TOTAL APPROPRIATION.	. . . . .	(\$121,424,000)
15			<u>\$121,908,000</u>

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

18 (1) The university must continue work with the education research
19 and data center to demonstrate progress in engineering enrollments.
20 By September 1st of each year, the university shall provide a report
21 including but not limited to the cost per student, student completion
22 rates, and the number of low-income students enrolled in each
23 program, any process changes or best-practices implemented by the
24 university, and how many students are enrolled in engineering
25 programs above the prior academic year.

26 (2) Central Washington University shall not use funds
27 appropriated in this section to support intercollegiate athletics
28 programs.

29 (3) ~~(\$11,104,000)~~ \$11,169,000 of the general fund—state
30 appropriation for fiscal year 2018 and ~~(\$11,326,000)~~ \$11,448,000 of
31 the general fund—state appropriation for fiscal year 2019 are
32 provided solely for the implementation of the college affordability
33 program as set forth in RCW 28B.15.066.

34 (4) The appropriations in this section include sufficient funding
35 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
36 (education loan information).

1 (5) The appropriations in this section include sufficient funding
2 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
3 (financial literacy seminars).

4 (6) Within amounts appropriated in this section, the university
5 is encouraged to increase the number of tenure-track positions
6 created and hired.

7 (7) \$130,000 of the general fund—state appropriation for fiscal
8 year 2019 is provided solely for Central Washington University to
9 partner with the office of the lieutenant governor, and employers and
10 labor representatives from the building and construction trades to
11 create a bachelor's degree program for individuals who have completed
12 or are completing certain registered apprenticeship programs. The
13 program shall be inclusive of prior learning, specifically tailored
14 to experience gained through apprenticeships and work in the building
15 and construction trades, and use an affordable online delivery model.
16 The program's financial model must be designed to make this degree
17 program self-sustaining without state support.

18 (8) \$46,000 of the general fund—state appropriation for fiscal
19 year 2019 is provided solely for implementation of Senate Bill No.
20 5028 (Native American curriculum). If the bill is not enacted by June
21 30, 2018, the amount provided in this subsection shall lapse.

22 **Sec. 606.** 2017 3rd sp.s. c 1 s 610 (uncodified) is amended to
23 read as follows:

24 **FOR THE EVERGREEN STATE COLLEGE**

25	General Fund—State Appropriation (FY 2018)	. . . . .	((\$26,543,000))
26			<u>\$26,582,000</u>
27	General Fund—State Appropriation (FY 2019)	. . . . .	((\$27,146,000))
28			<u>\$27,203,000</u>
29	TESC Capital Projects Account—State Appropriation.	. . . . .	\$80,000
30	<u>Pension Funding Stabilization Account—State Appropriation.</u>	. . . . .	<u>\$2,000</u>
31	Education Legacy Trust Account—State Appropriation	. . . . .	\$5,450,000
32	((Liquor Revolving Account—State Appropriation.	. . . . .	\$250,000))
33	TOTAL APPROPRIATION.	. . . . .	((\$59,469,000))
34			<u>\$59,317,000</u>

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

37 (1) ((~~\$3,377,000~~)) \$3,397,000 of the general fund—state
38 appropriation for fiscal year 2018 and ((~~\$3,445,000~~)) \$3,482,000 of

1 the general fund—state appropriation for fiscal year 2019 are
2 provided solely for the implementation of the college affordability
3 program as set forth in RCW 28B.15.066.

4 (2) Funding provided in this section is sufficient for The
5 Evergreen State College to continue operations of the Longhouse
6 Center and the Northwest Indian applied research institute.

7 (3) Notwithstanding other provisions in this section, the board
8 of directors for the Washington state institute for public policy may
9 adjust due dates for projects included on the institute's 2017-19
10 work plan as necessary to efficiently manage workload.

11 (4) The Evergreen State College shall not use funds appropriated
12 in this section to support intercollegiate athletics programs.

13 (5) \$33,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$65,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for implementation of chapter
16 265, Laws of 2017 (SHB 1867) (ext. foster care transitions).

17 (6) \$62,000 of the general fund—state appropriation for fiscal
18 year 2018 are provided solely for implementation of chapter 237, Laws
19 of 2017 (ESHB 1115) (paraeducators).

20 (7) \$17,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$34,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for the Washington institute for
23 public policy to conduct a study regarding the implementation of
24 certain aspects of the involuntary treatment act, pursuant to chapter
25 29, Laws of 2016, sp. sess. (E3SHB 1713).

26 (8) The appropriations in this section include sufficient funding
27 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
28 (education loan information).

29 (9) The appropriations in this section include sufficient funding
30 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
31 (financial literacy seminars).

32 (10) \$72,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$43,000 of the general fund—state appropriation for
34 fiscal year 2019 is provided solely for the Washington institute for
35 public policy to update its previous meta-analysis on the effect of
36 the national board for professional teaching standards certification
37 on student outcomes by December 15, 2018. The institute shall also
38 report on the following:

1 (a) Does the certification improve teacher retention in
2 Washington state?;

3 (b) Has the additional bonus provided under RCW 28A.405.415 to
4 certificated instructional staff who have attained national board
5 certification to work in high poverty schools acted as an incentive
6 for such teachers to actually work in high poverty schools?; and

7 (c) Have other states provided similar incentives to achieve a
8 more equitable distribution of staff with national board
9 certification?

10 (11) \$122,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$40,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for the implementation of
13 chapter 244, Laws of 2015 (college bound).

14 (12) \$1,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$1,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for the implementation of
17 chapter 7, Laws of 2015, 3rd sp.s. (early start act).

18 ((+14)) (13) Within amounts appropriated in this section, the
19 college is encouraged to increase the number of tenure-track
20 positions created and hired.

21 ((+15)) (14) \$16,000 of the general fund—state appropriation for
22 fiscal year 2018 and \$22,000 of the general fund—state appropriation
23 for fiscal year 2019 are provided solely for implementation of
24 Engrossed Substitute Senate Bill No. 5890 (foster care and adoption).
25 If the bill is not enacted by July 31, 2017, the amounts provided in
26 this subsection shall lapse.

27 (15) \$111,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$17,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for implementation of chapter
30 205, Laws of 2016 (2SHB 2449) (truancy reduction).

31 **Sec. 607.** 2017 3rd sp.s. c 1 s 611 (uncodified) is amended to
32 read as follows:

33 **FOR WESTERN WASHINGTON UNIVERSITY**

34	General Fund—State Appropriation (FY 2018)	. . . . .	((\$70,456,000))
35			<u>\$70,474,000</u>
36	General Fund—State Appropriation (FY 2019)	. . . . .	((\$72,950,000))
37			<u>\$73,070,000</u>
38	Education Legacy Trust Account—State Appropriation	. . .	\$13,831,000

1 (7) \$500,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$500,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for programs or initiatives
4 designed to improve student academic success and increase degree
5 completion.

6 (8) Within amounts appropriated in this section, the university
7 is encouraged to increase the number of tenure-track positions
8 created and hired.

9 (9) \$24,000 of the general fund—state appropriation for fiscal
10 year 2019 is provided solely for implementation of Senate Bill No.
11 5028 (Native American curriculum). If the bill is not enacted by June
12 30, 2018, the amount provided in this subsection shall lapse.

13 **Sec. 608.** 2017 3rd sp.s. c 1 s 612 (uncodified) is amended to
14 read as follows:

15 **FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND**
16 **ADMINISTRATION**

17	General Fund—State Appropriation (FY 2018)	. . . . .	((\$5,640,000))
18			<u>\$5,370,000</u>
19	General Fund—State Appropriation (FY 2019)	. . . . .	((\$5,791,000))
20			<u>\$5,588,000</u>
21	General Fund—Federal Appropriation	. . . . .	\$4,892,000
22	<u>Pension Funding Stabilization Account—State</u>		
23	<u>Appropriation.</u>	. . . . .	<u>\$535,000</u>
24	TOTAL APPROPRIATION.	. . . . .	((\$16,323,000))
25			<u>\$16,385,000</u>

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

28 (1) \$20,000 of the general fund—state appropriation for fiscal
29 year 2018 is provided solely for administrative costs to implement
30 the expansion of the college bound scholarship program for foster
31 youth, pursuant to Engrossed Substitute Senate Bill No. 5890 (foster
32 care and adoption). If the bill is not enacted by July 31, 2017, the
33 amount provided in this subsection shall lapse.

34 (2) \$68,000 of the general fund—state appropriation for fiscal
35 year 2019 is provided solely for implementation of Substitute Senate
36 Bill No. 6514 (higher education behavioral health). If the bill is
37 not enacted by June 30, 2018, the amount provided in this subsection
38 shall lapse.

1 same level as the average grant award for public research
2 universities. Increases in awards given to private four-year not-for-
3 profit institutions shall align with annual tuition increases for
4 public research institutions.

5 (3) Changes made to the state work study program in the 2009-2011
6 and 2011-2013 fiscal biennia are continued in the 2017-2019 fiscal
7 biennium including maintaining the increased required employer share
8 of wages; adjusted employer match rates; discontinuation of
9 nonresident student eligibility for the program; and revising
10 distribution methods to institutions by taking into consideration
11 other factors such as off-campus job development, historical
12 utilization trends, and student need.

13 (4) Within the funds appropriated in this section, eligibility
14 for the state need grant includes students with family incomes at or
15 below 70 percent of the state median family income (MFI), adjusted
16 for family size, and shall include students enrolled in three to five
17 credit-bearing quarter credits, or the equivalent semester credits.
18 Awards for students with incomes between 51 and 70 percent of the
19 state median shall be prorated at the following percentages of the
20 award amount granted to those with incomes below 51 percent of the
21 MFI: 70 percent for students with family incomes between 51 and 55
22 percent MFI; 65 percent for students with family incomes between 56
23 and 60 percent MFI; 60 percent for students with family incomes
24 between 61 and 65 percent MFI; and 50 percent for students with
25 family incomes between 66 and 70 percent MFI.

26 (5) Of the amounts provided in subsection (1) of this section,
27 \$100,000 of the general fund—state appropriation for fiscal year 2018
28 and \$100,000 of the general fund—state appropriation for fiscal year
29 2019 are provided for the council to process an alternative financial
30 aid application system pursuant to RCW 28B.92.010.

31 (6) Students who are eligible for the college bound scholarship
32 shall be given priority for the state need grant program. These
33 eligible college bound students whose family incomes are in the 0-65
34 percent median family income ranges must be awarded the maximum state
35 need grant for which they are eligible under state policies and may
36 not be denied maximum state need grant funding due to institutional
37 policies or delayed awarding of college bound scholarship students.
38 The council shall provide directions to institutions to maximize the
39 number of college bound scholarship students receiving the maximum
40 state need grant for which they are eligible with a goal of 100

1 percent coordination. Institutions shall identify all college bound
2 scholarship students to receive state need grant priority. If an
3 institution is unable to identify all college bound scholarship
4 students at the time of initial state aid packaging, the institution
5 should reserve state need grant funding sufficient to cover the
6 projected enrollments of college bound scholarship students.

7 (7) \$15,849,000 of the education legacy trust account—state
8 appropriation and (~~(\$29,389,000)~~) \$34,350,000 of the Washington
9 opportunity pathways account—state appropriation are provided solely
10 for the college bound scholarship program and may support
11 scholarships for summer session. The office of student financial
12 assistance and the institutions of higher education shall consider
13 awards made by the opportunity scholarship program to be state-funded
14 for the purpose of determining the value of an award amount under RCW
15 28B.118.010.

16 (8) \$2,236,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$2,236,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for the passport to college
19 program. The maximum scholarship award is up to \$5,000. The council
20 shall contract with a nonprofit organization to provide support
21 services to increase student completion in their postsecondary
22 program and shall, under this contract, provide a minimum of \$500,000
23 in fiscal years 2018 and 2019 for this purpose.

24 (9) (~~(\$14,730,000)~~) \$19,066,000 of the education legacy trust
25 account—state appropriation is provided solely to meet state match
26 requirements associated with the opportunity scholarship program. The
27 legislature will evaluate subsequent appropriations to the
28 opportunity scholarship program based on the extent that additional
29 private contributions are made, program spending patterns, and fund
30 balance.

31 (10) \$2,325,000 of the general fund—state appropriation for
32 fiscal year 2018 and \$2,325,000 of the general fund—state
33 appropriation for fiscal year 2019 are provided solely for
34 expenditure into the health professionals loan repayment and
35 scholarship program account. These amounts and \$4,720,000
36 appropriated from the health professionals loan repayment and
37 scholarship program account must be used to increase the number of
38 licensed primary care health professionals to serve in licensed
39 primary care health professional critical shortage areas. The office

1 of student financial assistance and the department of health shall
2 prioritize a portion of any nonfederal balances in the health
3 professional loan repayment and scholarship fund for conditional loan
4 repayment contracts with psychiatrists and with advanced registered
5 nurse practitioners for work at one of the state-operated psychiatric
6 hospitals. The office and department shall designate the state
7 hospitals as health professional shortage areas if necessary for this
8 purpose. The office shall coordinate with the department of social
9 and health services to effectively incorporate three conditional loan
10 repayments into the department's advanced psychiatric professional
11 recruitment and retention strategies. The office may use these
12 targeted amounts for other program participants should there be any
13 remaining amounts after eligible psychiatrists and advanced
14 registered nurse practitioners have been served. The office shall
15 also work to prioritize loan repayments to professionals working at
16 health care delivery sites that demonstrate a commitment to serving
17 uninsured clients.

18 (11) \$42,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$42,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for the council to design and
21 implement a program that provides customized information to high-
22 achieving (as determined by local school districts), low-income, high
23 school students. "Low-income" means students who are from low-income
24 families as defined by the education data center in RCW 43.41.400.
25 For the purposes of designing, developing, and implementing the
26 program, the council shall partner with a national entity that offers
27 aptitude tests and shall consult with institutions of higher
28 education with a physical location in Washington. The council shall
29 implement the program no later than fall 2016, giving consideration
30 to spring mailings in order to capture early action decisions offered
31 by institutions of higher education and nonprofit baccalaureate
32 degree-granting institutions. The information packet for students
33 must include at a minimum:

- 34 (a) Materials that help students to choose colleges;
- 35 (b) An application guidance booklet;
- 36 (c) Application fee waivers, if available, for four-year
37 institutions of higher education and independent nonprofit
38 baccalaureate degree-granting institutions in the state that enable
39 students receiving a packet to apply without paying application fees;

(d) Information on college affordability and financial aid that includes information on the net cost of attendance for each four-year institution of higher education and each nonprofit baccalaureate degree-granting institution, and information on merit and need-based aid from federal, state, and institutional sources; and

(e) A personally addressed cover letter signed by the governor and the president of each four-year institution of higher education and nonprofit baccalaureate degree-granting institution in the state.

(12) \$11,662,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for additional state need grant awards for eligible students at the community and technical colleges, Eastern Washington University, Central Washington University, The Evergreen State College, and Western Washington University.

Sec. 610. 2017 3rd sp.s. c 1 s 614 (uncodified) is amended to read as follows:

FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

General Fund—State Appropriation (FY 2018)	(((\$1,881,000)))
	<u>\$1,845,000</u>
General Fund—State Appropriation (FY 2019)	(((\$1,795,000)))
	<u>\$1,968,000</u>
General Fund—Federal Appropriation	\$55,279,000
<u>Pension Funding Stabilization Account—State</u>	
<u>Appropriation.</u>	<u>\$176,000</u>
General Fund—Private/Local Appropriation	\$208,000
TOTAL APPROPRIATION.	(((\$59,163,000)))
	<u>\$59,476,000</u>

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

(1) For the 2017-2019 fiscal biennium the board shall not designate recipients of the Washington award for vocational excellence or recognize them at award ceremonies as provided in RCW 28C.04.535.

(2) The health workforce council of the state workforce training and education coordinating board, in partnership with work underway with the office of the governor, shall, within resources available for such purpose, but not to exceed \$250,000, assess workforce shortages across behavioral health disciplines. The board shall create a recommended action plan to address behavioral health

1 workforce shortages and to meet the increased demand for services
 2 now, and with the integration of behavioral health and primary care
 3 in 2020. The analysis and recommended action plan shall align with
 4 the recommendations of the adult behavioral health system task force
 5 and related work of the healthier Washington initiative. The board
 6 shall consider workforce data, gaps, distribution, pipeline,
 7 development, and infrastructure, including innovative high school,
 8 postsecondary, and postgraduate programs to evolve, align, and
 9 respond accordingly to our state's behavioral health and related and
 10 integrated primary care workforce needs. The board will continue its
 11 work and submit final recommendations in calendar year 2017.

12 (3) \$22,000 of the general fund—state appropriation for fiscal
 13 year 2018 is provided solely for implementation of chapter 154, Laws
 14 of 2017 (SSB 5022) (education loan information).

15 (4) \$114,000 of the general fund—state appropriation for fiscal
 16 year 2018 and \$57,000 of the general fund—state appropriation for
 17 fiscal year 2019 are provided solely for implementation of chapter
 18 182, Laws of 2017 (2SSB 5285) (workforce employment sectors study).

19 (5) \$260,000 of the general fund—state appropriation for fiscal
 20 year 2019 is provided solely for implementation of Substitute Senate
 21 Bill No. 6544 (future of work task force). If the bill is not enacted
 22 by June 30, 2018, the amount provided in this subsection shall lapse.

23 **Sec. 611.** 2017 3rd sp.s. c 1 s 615 (uncodified) is amended to
 24 read as follows:

25 **FOR THE DEPARTMENT OF EARLY LEARNING**

26	General Fund—State Appropriation (FY 2018)	. . . . .	(\$119,174,000)
27			<u>\$116,758,000</u>
28	General Fund—Federal Appropriation	. . . . .	\$171,032,000
29	Education Legacy Trust Account—State Appropriation	. . . . .	\$14,091,000
30	Home Visiting Services Account—State Appropriation	. . . . .	\$3,133,000
31	Home Visiting Services Account—Federal		
32	Appropriation	. . . . .	\$12,153,000
33	WA Opportunity Pathways Account—State Appropriation	. . . . .	\$40,000,000
34	<u>Pension Funding Stabilization Account—State</u>		
35	<u>Appropriation.</u>	. . . . .	<u>\$468,000</u>
36	TOTAL APPROPRIATION.	. . . . .	(\$359,583,000)
37			<u>\$357,635,000</u>

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

3 (1) \$58,185,000 of the general fund—state appropriation for
4 fiscal year 2018, \$12,125,000 of the education legacy trust account—
5 state appropriation, and \$40,000,000 of the opportunity pathways
6 account appropriation are provided solely for the early childhood
7 education and assistance program. These amounts shall support at
8 least 12,491 slots in fiscal year 2018.

9 (2) \$200,000 of the general fund—state appropriation for fiscal
10 year 2018 is provided solely to develop and provide culturally
11 relevant supports for parents, family, and other caregivers.

12 (3) The department is the lead agency for and recipient of the
13 federal child care and development fund grant. Amounts within this
14 grant shall be used to fund child care licensing, quality
15 initiatives, agency administration, and other costs associated with
16 child care subsidies. The department shall transfer a portion of this
17 grant to the department of social and health services to fund the
18 child care subsidies paid by the department of social and health
19 services on behalf of the department of early learning.

20 (4)(a) \$76,650,000 of the general fund—federal appropriation is
21 provided solely for the working connections child care program under
22 RCW 43.215.135. In order to not exceed the appropriated amount, the
23 department shall manage the program so that the average monthly
24 caseload does not exceed 33,000 households. The department shall give
25 prioritized access into the program according to the following order:

26 (i) Families applying for or receiving temporary assistance for
27 needy families (TANF);

28 (ii) TANF families curing sanction;

29 (iii) Foster children;

30 (iv) Families that include a child with special needs;

31 (v) Families in which a parent of a child in care is a minor who
32 is not living with a parent or guardian and who is a full-time
33 student in a high school that has a school-sponsored on-site child
34 care center;

35 (vi) Families with a child residing with a biological parent or
36 guardian who have received child protective services, child welfare
37 services, or a family assessment response from the department of
38 social and health services in the past six months, and has received a
39 referral for child care as part of the family's case management; and

1 (vii) Families that received subsidies within the last thirty
2 days and:

3 (A) Have reapplied for subsidies; and

4 (B) Have household income of two hundred percent federal poverty
5 level or below; and

6 (viii) All other eligible families.

7 (b) The department of early learning and the department of social
8 and health services must take immediate action to reduce fraud and
9 overpayments in the working connections child care program. By
10 December 1, 2017, the department must adopt rules to:

11 (i) Require verification of the applicant's household composition
12 in determining eligibility for the working connections child care
13 program. At a minimum, the department of social and health services
14 must consult agency records for the temporary assistance for needy
15 families program, food assistance, medical assistance, and child
16 support enforcement to verify the applicant's household composition
17 and other applicable eligibility criteria whenever possible. In cases
18 where only one parent's name appears on the application and the
19 department of social and health services cannot verify an open child
20 support case or verify household composition through internal agency
21 records, then the applicant must:

22 (A) Provide the name and address of the other parent or indicate,
23 under penalty of perjury, that the other parent's identity or address
24 are unknown to the applicant; and

25 (B) Document the presence or absence of the other parent through
26 acceptable documentation as defined by the department in rule.

27 The department must exempt an applicant from providing
28 information about the other parent if the department of social and
29 health services determines the applicant has good cause not to
30 cooperate. For the purposes of this subsection, "good cause" must
31 include, at a minimum, consideration of the safety of domestic
32 violence victims;

33 (ii) Authorize working connections child care payments to
34 licensed and certified providers and in-home relative child care
35 providers serving eligible consumers who participate in one hundred
36 ten hours or more of approved work or related activities per calendar
37 month within the following categories: (A) Full day care for a non-
38 school-age child, (B) half-day care for a school-age child during the
39 school year, and (C) full day care for a school-age child during
40 school holidays;

1 (iii) Define the occurrence of fraud, an intentional program
2 violation, an unintentional program violation and an administrative
3 error;

4 (iv) Outline the administrative process for determining fraud or
5 an intentional program violation; and

6 (v) Define the progressive disqualification process for providers
7 who commit fraud or intentional program violation(s).

8 (c) The department, in collaboration with the department of
9 social and health services, must submit a preliminary report by
10 December 1, 2017, and a final report by December 1, 2018, to the
11 governor and the appropriate fiscal and policy committees of the
12 legislature on quality control measures for the working connections
13 child care program. The reports must each include:

14 (i) A detailed narrative of the procurement and implementation of
15 an improved time and attendance system, including a detailed
16 accounting of the costs of procurement and implementation;

17 (ii) A comprehensive description of all processes, including
18 computer algorithms and additional rule development, that the
19 department and the department of social and health services plan to
20 establish prior to and after full implementation of the time and
21 attendance system. At a minimum, processes must be designed to:

22 (A) Ensure the department's auditing efforts are informed by
23 regular and continuous alerts of the potential for overpayments;

24 (B) Avoid overpayments to the maximum extent possible and
25 expediently recover overpayments that have occurred;

26 (C) Withhold payment from providers when necessary to incentivize
27 receipt of the necessary documentation to complete an audit;

28 (D) Establish methods for reducing future payments or
29 establishing repayment plans in order to recover any overpayments;

30 (E) Sanction providers, including termination of eligibility, who
31 commit intentional program violations or fail to comply with program
32 requirements, including compliance with any established repayment
33 plans;

34 (F) Consider pursuit of prosecution in cases with fraudulent
35 activity; and

36 (iii) A description of the process by which fraud is identified
37 and how fraud investigations are prioritized and expedited.

38 (d) Beginning July 1, 2018, and annually thereafter, the
39 department, in collaboration with the department of social and health
40 services, must report to the governor and the appropriate fiscal and

1 policy committees of the legislature on the status of overpayments in
2 the working connections child care program. The report must include
3 the following information for the previous fiscal year:

4 (i) A summary of the number of overpayments that occurred;

5 (ii) The reason for each overpayment;

6 (iii) The total cost of overpayments;

7 (iv) A comparison to overpayments that occurred in the past two
8 preceding fiscal years; and

9 (v) Any planned modifications to internal processes that will
10 take place in the coming fiscal year to further reduce the occurrence
11 of overpayments.

12 (5) Within available amounts, the department in consultation with
13 the office of financial management and the department of social and
14 health services shall report enrollments and active caseload for the
15 working connections child care program to the legislative fiscal
16 committees and the legislative-executive WorkFirst oversight task
17 force on an agreed upon schedule. The report shall also identify the
18 number of cases participating in both temporary assistance for needy
19 families and working connections child care. The department must also
20 report on the number of children served through contracted slots.

21 (6) \$1,560,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$6,712,000 of the general fund—federal appropriation
23 are provided solely for the seasonal child care program. If federal
24 sequestration cuts are realized, cuts to the seasonal child care
25 program must be proportional to other federal reductions made within
26 the department.

27 (7) \$4,674,000 of the general fund—state appropriation for fiscal
28 year 2018 is provided solely for the early childhood intervention
29 prevention services (ECLIPSE) program. The department shall contract
30 for ECLIPSE services to provide therapeutic child care and other
31 specialized treatment services to abused, neglected, at-risk, and/or
32 drug-affected children. The department shall ensure that contracted
33 providers pursue receipt of federal funding associated with the early
34 support for infants and toddlers program. Priority for services shall
35 be given to children referred from the department of social and
36 health services children's administration.

37 (8) \$44,663,000 of the general fund—state appropriation for
38 fiscal year 2018 and \$13,954,000 of the general fund—federal
39 appropriation are provided solely to maintain the requirements set

1 forth in chapter 7, Laws of 2015 3rd sp. sess. The department shall
2 place a ten percent administrative overhead cap on any contract
3 entered into with the University of Washington. In its annual report
4 to the governor and the legislature, the department shall report the
5 total amount of funds spent on the quality rating and improvements
6 system and the total amount of funds spent on degree incentives,
7 scholarships, and tuition reimbursements. Of the amounts provided in
8 this subsection, \$386,000 of the general fund—state appropriation for
9 fiscal year 2018 is provided solely for a six percent base rate
10 increase for child care center providers.

11 (9) \$1,728,000 of the general fund—state appropriation for fiscal
12 year 2018 is provided solely for reducing barriers for low-income
13 providers to participate in the early achievers program.

14 (10) \$300,000 of the general fund—state appropriation for fiscal
15 year 2018 is provided solely for a contract with a nonprofit entity
16 experienced in the provision of promoting early literacy for children
17 through pediatric office visits.

18 (11) \$2,000,000 of the education legacy trust account—state
19 appropriation is provided solely for early intervention assessment
20 and services.

21 (12) \$7,979,000 of the general fund—federal appropriation for
22 fiscal year 2018 is provided solely for the department to procure a
23 time and attendance system and are subject to the conditions,
24 limitations, and review provided in section 724 of this act.

25 (13) Information technology projects or investments and proposed
26 projects or investments impacting time capture, payroll and payment
27 processes and systems, eligibility, case management and authorization
28 systems within the department of early learning are subject to
29 technical oversight by the office of the chief information officer.
30 The department must collaborate with the office of the chief
31 information officer to develop a strategic business and technology
32 architecture plan for a child care attendance and billing system that
33 supports a statewide architecture.

34 (14)(a)(i) The department of early learning is required to
35 provide to the education research and data center, housed at the
36 office of financial management, data on all state-funded early
37 childhood programs. These programs include the early support for
38 infants and toddlers, early childhood education and assistance
39 program (ECEAP), and the working connections and seasonal subsidized

1 childcare programs including license exempt facilities or family,
2 friend, and neighbor care. The data provided by the department to the
3 education research data center must include information on children
4 who participate in these programs, including their name and date of
5 birth, and dates the child received services at a particular
6 facility.

7 (ii) ECEAP early learning professionals must enter any new
8 qualifications into the department's professional development
9 registry starting in the 2015-16 school year, and every school year
10 thereafter. By October 2017, and every October thereafter, the
11 department must provide updated ECEAP early learning professional
12 data to the education 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 an
18 updated report on early childhood program participation and K-12
19 outcomes to the house of representatives appropriations committee and
20 the senate ways and means committee using available data by November
21 2017 for the school year ending in 2016 and again in March 2018 for
22 the school year ending in 2017.

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 (15) The department shall work with state and local law
28 enforcement, federally recognized tribal governments, and tribal law
29 enforcement to develop a process for expediting fingerprinting and
30 data collection necessary to conduct background checks for tribal
31 early learning and child care providers.

32 (16) \$2,651,000 of the general fund—state appropriation for
33 fiscal year 2018 is provided solely for the 2017-2019 collective
34 bargaining agreement covering family child care providers as set
35 forth in section 940 of this act. Funding is contingent upon
36 enactment of Senate Bill No. 5969 (transparency in public employee
37 collective bargaining). If the bill is not enacted by July 31, 2017,
38 the amount provided in this subsection shall lapse. Of the amounts
39 provided in this subsection:

40 (a) \$273,000 is for a base rate increase;

1 (b) \$55,000 is for increasing paid professional development days
2 from three days to five days;

3 (c) \$1,708,000 is for the family child care providers 501c3
4 organization for the substitute pool, training and quality
5 improvement support services, and administration;

6 (d) \$114,000 is for increasing licensing incentive payments; and

7 (e) \$500,000 is for needs based grants.

8 (17) \$175,000 of the general fund—state appropriation for fiscal
9 year 2018 is provided solely for the department to contract with a
10 nonprofit entity that provides quality improvement services to
11 participants in the early achievers program to implement a community-
12 based training module that supports licensed child care providers who
13 have been rated in early achievers and who are specifically
14 interested in serving children in the early childhood education and
15 assistance program. The module must be functionally translated into
16 Spanish and Somali. The module must prepare trainees to administer
17 all aspects of the early childhood education and assistance program
18 for eligible children in their licensed program and must be offered
19 to 105 child care providers to serve children eligible for the early
20 childhood education and assistance program by June 30, 2019.

21 (18) \$750,000 of the general fund—state appropriation for fiscal
22 year 2018 is provided solely for the implementation of the early
23 achievers expanded learning opportunity quality initiative pursuant
24 to RCW 43.215.100(3)(d).

25 (19) \$267,000 of the general fund—state appropriation for fiscal
26 year 2018 is provided solely for implementation of chapter 236, Laws
27 of 2017 (SHB 1445) (dual language in early learning & K-12).

28 (20) \$100,000 of the general fund—state appropriation for fiscal
29 year 2018 is provided solely for implementation of chapter 202, Laws
30 of 2017 (E2SHB 1713) (children's mental health).

31 (21) \$5,000 of the general fund—state appropriation for fiscal
32 year 2018 is provided solely for a child care workforce development
33 technical work group to develop recommendations to support increased
34 child care workforce wages, reduce turnover, enable child care
35 providers to recruit more qualified educators, and maintain the
36 diversity of the current workforce.

37 (a) The department shall convene and provide staff support for
38 the technical work group. The department shall consult with advocates
39 and stakeholders of the early learning workforce when selecting

1 members for the technical work group. Membership of the work group
2 must consist of representatives from the following organizations and
3 entities:

- 4 (i) The statewide child care resource and referral network;
- 5 (ii) The department;
- 6 (iii) The department of commerce;
- 7 (iv) The economic opportunity institute;
- 8 (v) A coalition of organizations representing nonprofits,
9 professional associations, businesses, and industries in early
10 learning;
- 11 (vi) The state board for community and technical colleges;
- 12 (vii) A union representing child care workers;
- 13 (viii) The small business administration;
- 14 (ix) A member consisting of either an economist or a
15 representative of the workforce development councils;
- 16 (x) A representative from an early childhood education and
17 assistance program;
- 18 (xi) A representative from a nonprofit child care center;
- 19 (xii) A representative from a private child care center; and
- 20 (xiii) A representative from an organization that provides
21 culturally responsive services for early learning programs in
22 communities with high numbers of families whose primary language is
23 not English.

24 (b) Members of the work group may be reimbursed for travel
25 expenses as provided in RCW 43.03.050 and 43.03.060. Funding in this
26 subsection is provided solely for travel reimbursement of work group
27 members and other costs to conduct the meetings. Funding provided in
28 this subsection may not be used to contract for facilitation.

29 (c) The work group shall issue a report with recommendations and
30 an implementation plan to the governor and appropriate committees of
31 the legislature by December 1, 2018.

32 (22) \$317,000 of the general fund—state appropriation for fiscal
33 year 2018 is provided solely for implementation of chapter 162, Laws
34 of 2017 (SSB 5357) (outdoor early learning programs).

35 (23)(a) During the 2017-2019 fiscal biennium, the department must
36 revise its agreements and contracts with vendors to include a
37 provision to require that each vendor agrees to equality among its
38 workers by ensuring similarly employed individuals are compensated as
39 equals as follows:

1 (i) Employees are similarly employed if the individuals work for
2 the same employer, the performance of the job requires comparable
3 skill, effort, and responsibility, and the jobs are performed under
4 similar working conditions. Job titles alone are not determinative of
5 whether employees are similarly employed;

6 (ii) Vendors may allow differentials in compensation for its
7 workers based in good faith on any of the following:

8 (A) A seniority system; a merit system; a system that measures
9 earnings by quantity or quality of production; a bona fide job-
10 related factor or factors; or a bona fide regional difference in
11 compensation levels.

12 (B) A bona fide job-related factor or factors may include, but
13 not be limited to, education, training, or experience, that is:
14 Consistent with business necessity; not based on or derived from a
15 gender-based differential; and accounts for the entire differential.

16 (C) A bona fide regional difference in compensation level must
17 be: Consistent with business necessity; not based on or derived from
18 a gender-based differential; and account for the entire differential.

19 (b) The provision must allow for the termination of the contract
20 if the department or department of enterprise services determines
21 that the vendor is not in compliance with this agreement or contract
22 term.

23 (c) The department must implement this provision with any new
24 contract and at the time of renewal of any existing contract.

25 **Sec. 612.** 2017 3rd sp.s. c 1 s 616 (uncodified) is amended to
26 read as follows:

27 **FOR THE STATE SCHOOL FOR THE BLIND**

28	General Fund—State Appropriation (FY 2018)	\$6,976,000
29	General Fund—State Appropriation (FY 2019)	(\$7,427,000)
30		<u>\$7,600,000</u>
31	General Fund—Private/Local Appropriation	\$34,000
32	<u>Pension Funding Stabilization Account—State</u>	
33	<u>Appropriation.</u>	<u>\$591,000</u>
34	TOTAL APPROPRIATION.	(\$14,437,000)
35		<u>\$15,201,000</u>

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

1 (1) Funding provided in this section is sufficient for the school
2 to offer to students enrolled in grades nine through twelve for full-
3 time instructional services at the Vancouver campus with the
4 opportunity to participate in a minimum of one thousand eighty hours
5 of instruction and the opportunity to earn twenty-four high school
6 credits.

7 (2) \$78,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$22,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for the purchase of electronic
10 Braille technology for Braille-reading students.

11 (3) \$49,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$50,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for employees who have requested
14 and received approval for reasonable accommodation in the workplace.

15 (4) \$105,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$136,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for the transportation of
18 students to and from the home campus in Vancouver.

19 **Sec. 613.** 2017 3rd sp.s. c 1 s 617 (uncodified) is amended to
20 read as follows:

21 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
22 **LOSS**

23	General Fund—State Appropriation (FY 2018)	. . . . .	((<u>\$10,646,000</u>))
24			<u>\$10,290,000</u>
25	General Fund—State Appropriation (FY 2019)	. . . . .	((<u>\$11,679,000</u>))
26			<u>\$11,621,000</u>
27	<u>Pension Funding Stabilization Account—State</u>		
28	<u>Appropriation.</u>	. . . . .	<u>\$727,000</u>
29	TOTAL APPROPRIATION.	. . . . .	((<u>\$22,325,000</u>))
30			<u>\$22,638,000</u>

31 The appropriations in this section are subject to the following
32 conditions and limitations: Funding provided in this section is
33 sufficient for the center to offer to students enrolled in grades
34 nine through twelve for full-time instructional services at the
35 Vancouver campus with the opportunity to participate in a minimum of
36 one thousand eighty hours of instruction and the opportunity to earn
37 twenty-four high school credits.

1	FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY	
2	General Fund—State Appropriation (FY 2018)	((\$1,991,000))
3		<u>\$1,909,000</u>
4	General Fund—State Appropriation (FY 2019)	((\$2,044,000))
5		<u>\$1,934,000</u>
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation.</u>	<u>\$213,000</u>
8	TOTAL APPROPRIATION.	((\$4,035,000))
9		<u>\$4,056,000</u>

(End of part)

PART VII

SPECIAL APPROPRIATIONS

Sec. 701. 2017 3rd sp.s. c 1 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 2018), General Fund—State Appropriation (FY 2019), State Building Construction Account—State Appropriation, Columbia River Basin Water Supply—State Appropriation, State Taxable Building Construction Account—State Appropriation, Debt-Limit Reimbursable Bond Retire Account—State Appropriation, and TOTAL APPROPRIATION.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account.

Sec. 702. 2017 3rd sp.s. c 1 s 703 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

Table with 2 columns: Description and Amount. Rows include General Fund—State Appropriation (FY 2018), General Fund—State Appropriation (FY 2019), State Building Construction Account—State Appropriation, Columbia River Basin Water Supply—State Appropriation, Columbia River Basin Taxable Bond Water Supply—State Appropriation, and State Taxable Building Construction Account—State Appropriation.

1 TOTAL APPROPRIATION. ((~~\$5,214,000~~))
2 \$5,213,000

3 NEW SECTION. Sec. 703. A new section is added to 2017 3rd sp.s.
4 c 1 (uncodified) to read as follows:

5 **FOR SUNDRY CLAIMS**

6 The following sums, or so much thereof as may be necessary, are
7 appropriated from the general fund for fiscal year 2018, unless
8 otherwise indicated, for relief of various individuals, firms, and
9 corporations for sundry claims.

10 (1) These appropriations are to be disbursed on vouchers approved
11 by the director of the department of enterprise services, except as
12 otherwise provided, for reimbursement of criminal defendants
13 acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as
14 follows:

- 15 (a) John Weiler, claim number 99970144. \$7,975
- 16 (b) Samson Asfaw, claim number 99970145. \$18,873
- 17 (c) Kevon Turner, claim number 99970147. \$9,750
- 18 (d) Arthur Eshe, claim number 99970148. \$12,900
- 19 (e) Woody J. Pierson, claim number 99970235. \$19,789

20 (2) These appropriations are to be disbursed on vouchers approved
21 by the director of the department of enterprise services, except as
22 otherwise provided, for payment of compensation for wrongful
23 convictions pursuant to RCW 4.100.060, as follows:

24 Robert Larson, Tyler Gassman, and Paul Statler, claim numbers
25 99970072-99970074. \$79,000

26 NEW SECTION. Sec. 704. A new section is added to 2017 3rd sp.s.
27 c 1 (uncodified) to read as follows:

28 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—DISASTER RESPONSE ACCOUNT**

29 General Fund—State Appropriation (FY 2018) \$41,470,000
30 General Fund—State Appropriation (FY 2019). \$21,763,000
31 TOTAL APPROPRIATION. \$63,233,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: The appropriations in this section, or so
34 much thereof as may be necessary, are provided solely for expenditure
35 into the disaster response account to ensure the account is not in
36 deficit.

1 NEW SECTION. **Sec. 705.** A new section is added to 2017 3rd sp.s.
2 c 1 (uncodified) to read as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—SCHOOL EMPLOYEES' INSURANCE**
4 **ADMINISTRATIVE ACCOUNT**

5 State Health Care Authority Administrative Account—
6 State Appropriation \$28,730,000

7 The appropriation in this section is subject to the following
8 conditions and limitations: The appropriations in this section, or so
9 much thereof as may be necessary, are provided solely for expenditure
10 into the school employees' insurance administrative account for
11 start-up costs for the school employees' benefits program pursuant to
12 chapter 13, Laws of 2017 3rd sp. sess. It is the intent of the
13 legislature that this amount, plus interest as determined by the
14 treasurer, be repaid to the state health care authority
15 administrative account.

16 **Sec. 706.** 2017 3rd sp.s. c 1 s 708 (uncodified) is amended to
17 read as follows:

18 **FOR THE STATE TREASURER—COUNTY PUBLIC HEALTH ASSISTANCE**

19 General Fund—State Appropriation (FY 2018) \$36,386,000
20 General Fund—State Appropriation (FY 2019) \$36,386,000
21 TOTAL APPROPRIATION. \$72,772,000

22 The appropriations in this section are subject to the following
23 conditions and limitations: The state treasurer shall distribute the
24 appropriations to the following counties and health districts in the
25 amounts designated to support public health services, including
26 public health nursing:

27 Health District	FY 2018	FY 2019	2017-2019
			Biennium
29 ((Adams County Health District)) <u>Adams County</u>	\$121,213	\$121,213	\$242,426
30 <u>Integrated Health Care Services</u>			
31 Asotin County Health District	\$159,890	\$159,890	\$319,780
32 Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
33 Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
34 Clallam County Health and Human Services Department	\$291,401	\$291,401	\$582,802
35 ((Clark County Health District)) <u>Clark County Public</u>	\$1,767,341	\$1,767,341	\$3,534,682
36 <u>Health</u>			

1	((Skamania County Health Department)) <u>Skamania</u>	\$111,327	\$111,327	\$222,654
2	<u>County Community Health</u>			
3	Columbia County Health District	\$119,991	\$119,991	\$239,982
4	((Cowlitz County Health Department)) <u>Cowlitz County</u>	\$477,981	\$477,981	\$955,962
5	<u>Health and Human Services</u>			
6	Garfield County Health District	\$93,154	\$93,154	\$186,308
7	Grant County Health District	\$297,761	\$297,761	\$595,522
8	((Grays Harbor Health Department)) <u>Grays Harbor</u>	\$335,666	\$335,666	\$671,332
9	<u>Public Health and Social Services</u>			
10	Island County Health Department	\$255,224	\$255,224	\$510,448
11	((Jefferson County Health and Human Services))	\$184,080	\$184,080	\$368,160
12	<u>Jefferson County Public Health</u>			
13	((Seattle-King County Department of Public Health))	\$12,685,521	\$12,685,521	\$25,371,042
14	<u>Public Health - Seattle & King County</u>			
15	((Bremerton-Kitsap County Health District)) <u>Kitsap</u>	\$997,476	\$997,476	\$1,994,952
16	<u>Public Health District</u>			
17	Kittitas County <u>Public Health</u> ((Department))	\$198,979	\$198,979	\$397,958
18	Klickitat County <u>Public Health</u> ((Department))	\$153,784	\$153,784	\$307,568
19	((Lewis County Health Department)) <u>Lewis County</u>	\$263,134	\$263,134	\$526,268
20	<u>Public Health and Social Services</u>			
21	Lincoln County Health Department	\$113,917	\$113,917	\$227,834
22	((Mason County Department of Health Services))	\$227,448	\$227,448	\$454,896
23	<u>Mason County Public Health and Human Services</u>			
24	((Okanogan County Health District)) <u>Okanogan County</u>	\$169,882	\$169,882	\$339,764
25	<u>Public Health</u>			
26	((Pacific County Health Department)) <u>Pacific County</u>	\$169,075	\$169,075	\$338,150
27	<u>Health and Human Services</u>			
28	Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
29	San Juan County Health and Community Services	\$126,569	\$126,569	\$253,138
30	Skagit County Health Department	\$449,745	\$449,745	\$899,490
31	Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
32	((Spokane County Health District)) <u>Spokane Regional</u>	\$2,877,318	\$2,877,318	\$5,754,636
33	<u>Health District</u>			
34	Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606

1 for expenditure into the outdoor education and recreation account for
2 the state parks and recreation commission's outdoor education and
3 recreation program purposes identified in RCW 79A.05.351. Of the
4 amounts appropriated, \$500,000 is provided solely to partner with
5 organizations that employ at least one veteran.

6 NEW SECTION. Sec. 710. A new section is added to 2017 3rd sp.s.
7 c 1 (uncodified) to read as follows:

8 **PLAN 1 RETIREE BENEFIT INCREASES**

9	General Fund—State Appropriation (FY 2019)	. . . . .	\$10,687,000
10	Other Appropriated Funds	. . . . .	\$1,649,000
11	TOTAL APPROPRIATION.	. . . . .	\$12,336,000

12 The appropriations in this section are provided solely for
13 implementation of Substitute Senate Bill No. 6340 (plan 1 retiree
14 benefit increases). If the bill is not enacted by June 30, 2018, the
15 amounts provided in this subsection shall lapse.

16 NEW SECTION. Sec. 711. A new section is added to 2017 3rd sp.s.
17 c 1 (uncodified) to read as follows:

18 **OFFICE OF FINANCIAL MANAGEMENT—PAID FAMILY AND MEDICAL LEAVE EMPLOYER**
19 **PREMIUMS**

20	General Fund—State Appropriation (FY 2019)	. . . . .	\$1,013,000
21	General Fund—Federal Appropriation (FY 2019)	. . . . .	\$85,000
22	General Fund—Local Appropriation (FY 2019)	. . . . .	\$7,000
23	Other Appropriated Funds	. . . . .	\$221,000
24	TOTAL APPROPRIATION.	. . . . .	\$1,326,000

25 The appropriations in this section are provided solely for the
26 employer portion of the paid family and medical leave premiums
27 required under chapter 5, Laws of 2017 3rd sp. sess., for state
28 employees other than those covered by a collective bargaining
29 agreement.

30 NEW SECTION. Sec. 712. A new section is added to 2017 3rd sp.s.
31 c 1 (uncodified) to read as follows:

32 **OFFICE OF FINANCIAL MANAGEMENT—CONTRIBUTIONS FOR EMPLOYEE HEALTH**
33 **INSURANCE**

34	General Fund—State Appropriation (FY 2019)	. . . . .	(\$27,760,000)
35	General Fund—Federal Appropriation (FY 2019)	. . . . .	(\$4,955,000)
36	General Fund—Local Appropriation (FY 2019)	. . . . .	(\$464,000)

1 Other Appropriated Funds (\$7,251,000)
2 TOTAL APPROPRIATION. (\$40,430,000)

3 The appropriations in this section are provided solely to adjust
4 agency and institution appropriations to reflect the reductions in
5 the state employer funding rate for health insurance.

6 NEW SECTION. **Sec. 713.** A new section is added to 2017 3rd sp.s.
7 c 1 (uncodified) to read as follows:

8 **FOR THE OFFICE OF THE GOVERNOR—DYSFUNCTIONAL STATE INSTITUTIONS**

9 General Fund—State Appropriation (FY 2018) \$37,500,000
10 General Fund—State Appropriation (FY 2019) \$37,500,000
11 TOTAL APPROPRIATION. \$75,000,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: \$37,500,000 of the general fund—state
14 appropriation for fiscal year 2018 and \$37,500,000 of the general
15 fund—state appropriation for fiscal year 2019 are provided solely to
16 improve the quality of care, patient and staff safety, and the
17 efficiency of operations in the state's mental institutions,
18 residential habilitation centers, and veteran's homes. The governor
19 must prioritize the amounts appropriated to actions that will
20 immediately improve patient care and safety to ensure that our
21 state's most vulnerable population receive proper care and attention.
22 The second priority is to ensure that our state institutional
23 facilities meet federal rules and regulations, appropriate to the
24 facility and standard of patient, and remove the systemic operational
25 problems that have led to federal intervention and continued
26 oversight. To facilitate transparency and fiscal accountability, the
27 governor's results Washington office shall create measurable goals to
28 demonstrate progress and performance with the use of funds and
29 provide quarterly reports to the appropriate policy and fiscal
30 committees of the legislature and the public on its web site.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2017 3rd sp.s. c 1 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.	((\$9,731,000))	<u>\$9,730,000</u>
General Fund Appropriation for prosecuting attorney distributions.	((\$6,786,000))	<u>\$6,643,000</u>
General Fund Appropriation for boating safety and education distributions.	\$4,000,000	
General Fund Appropriation for public utility district excise tax distributions.	((\$60,611,000))	<u>\$30,230,000</u>
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies.	((\$3,556,000))	<u>\$3,135,000</u>
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution.	\$140,000	
Timber Tax Distribution Account Appropriation for distribution to "timber" counties.	((\$77,367,000))	<u>\$68,009,000</u>
County Criminal Justice Assistance Appropriation.	((\$96,145,000))	<u>\$93,628,000</u>
Municipal Criminal Justice Assistance Appropriation.	((\$38,126,000))	<u>\$36,908,000</u>
City-County Assistance Appropriation.	\$27,160,000	
Liquor Excise Tax Account Appropriation for liquor excise tax distribution.	\$56,058,000	
Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistributions effect of sourcing law changes.	((\$20,012,000))	<u>\$20,549,000</u>
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville		

1	Reservation.	\$8,074,000
2	Columbia River Water Delivery Account Appropriation	
3	for the Spokane Tribe of Indians.	\$5,402,000
4	Liquor Revolving Account Appropriation for liquor	
5	profits distribution.	\$98,876,000
6	General Fund Appropriation for other tax	
7	distributions.	\$80,000
8	General Fund Appropriation for Marijuana Excise	
9	Tax distributions.	\$12,000,000
10	General Fund Appropriation for Habitat Conservation	
11	Program distributions.	\$5,347,000
12	TOTAL APPROPRIATION.	\$529,471,000

13 The total expenditures from the state treasury under the
14 appropriations in this section shall not exceed the funds available
15 under statutory distributions for the stated purposes.

16 **Sec. 802.** 2017 3rd sp.s. c 1 s 805 (uncodified) is amended to
17 read as follows:

18 **FOR THE STATE TREASURER—TRANSFERS**

19 Criminal Justice Treatment Account: For transfer to
20 the state general fund, \$4,450,000 for fiscal
21 year 2018 and \$4,450,000 for fiscal year 2019. \$8,900,000

22 Dedicated Marijuana Account: For transfer to
23 the basic health plan trust account, the lesser
24 of the amount determined pursuant to RCW 69.50.540
25 or this amount for fiscal year 2018, (~~(\$170,000,000)~~)
26 \$180,000,000 and this amount for fiscal year 2019,
27 (~~(\$180,000,000)~~) \$186,000,000. (~~(\$350,000,000)~~)
28 \$366,000,000

29 Dedicated Marijuana Account: For transfer to
30 the state general fund, the lesser of the
31 amount determined pursuant to RCW 69.50.540
32 or this amount for fiscal year 2018, \$120,000,000
33 and this amount for fiscal year 2019,
34 (~~(\$130,000,000)~~) \$127,000,000. (~~(\$239,239,000)~~)
35 \$247,000,000

36 Aquatic Lands Enhancement Account: For transfer to
37 the clean up settlement account as repayment of
38 the loan provided in section 3022(2) chapter 2,

1 No. 1116 (family and medical leave insurance),
2 Senate Bill No. 5975 (paid family and medical
3 leave insurance), or Senate Bill No. 5032
4 (family and medical leave insurance),
5 \$82,000,000 for fiscal year 2018. \$82,000,000
6 Family and Medical Leave Insurance Account: For
7 transfer to the General Fund as repayment for
8 start-up costs for the family and medical leave
9 insurance program pursuant to implementation of
10 Substitute House Bill No. 1116 (family and
11 medical leave insurance), Senate Bill No. 5975
12 (paid family and medical leave insurance),
13 or Senate Bill No. 5032 (family and medical
14 leave insurance), the lesser of the amount
15 determined by the treasurer for full repayment
16 of the \$82,000,000 transferred from the general
17 fund in fiscal year 2018 for start-up costs
18 with any related interest or this amount for
19 fiscal year 2019, \$90,000,000. \$90,000,000
20 Public Works Assistance Account: For transfer to the
21 education legacy trust account, \$136,998,000 for
22 fiscal year 2018 and \$117,017,000 for fiscal
23 year 2019. \$254,015,000
24 General Fund: For transfer to the firearms range
25 account for fiscal year 2018. \$75,000
26 Death Investigations Account: For transfer to
27 the state general fund, \$1,186,000 for
28 fiscal year 2018. \$1,186,000
29 New Motor Vehicle Arbitration Account: For transfer
30 to the state general fund, \$2,000,000 for fiscal
31 year 2018. \$2,000,000
32 Local Toxics Control Account: For transfer to the
33 state toxics control account, \$9,000,000 for
34 fiscal year 2018 and \$12,000,000 for fiscal
35 year 2019. \$21,000,000
36 Public Works Administration Account: For transfer to
37 the state general fund for fiscal year 2018. \$2,500,000
38 General Fund: For transfer to the statewide tourism
39 marketing account for fiscal year 2019. \$1,500,000

(End of part)

PART IX
MISCELLANEOUS

Sec. 901. RCW 43.41.433 and 2017 3rd sp.s. c 1 s 950 are each amended to read as follows:

(1) The information technology investment revolving account is created in the custody of the state treasurer. All receipts from legislative appropriations and transfers must be deposited into the account. Only the director of financial management or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2) Any residual balance of funds remaining in the information technology investment revolving account created in section 705, chapter 4, Laws of 2015 3rd sp. sess. and reenacted in subsection (1) of this section shall be transferred to the information technology investment revolving account created in subsection (1) of this section after June 30, 2017.

Sec. 902. 2017 3rd sp.s. c 1 s 936 (uncodified) is amended to read as follows:

**COMPENSATION—REPRESENTED EMPLOYEES—SUPER COALITION—INSURANCE
BENEFITS**

An agreement was reached for the 2017-2019 biennium between the governor and the health care super coalition under the provisions of chapter 41.80 RCW. Appropriations in this act for state agencies, including institutions of higher education, are sufficient to implement the provisions of the 2017-2019 collective bargaining agreement, and are subject to the following conditions and limitations:

(1) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$913 per eligible employee for fiscal year 2018. For fiscal year 2019, the monthly employer funding rate shall not exceed (~~(\$957)~~) \$906 per eligible employee.

(2) Except as provided by the parties' health care agreement, in order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other

1 changes to benefits consistent with RCW 41.05.065. The board shall
2 collect a twenty-five dollar per month surcharge payment from members
3 who use tobacco products and a surcharge payment of not less than
4 fifty dollars per month from members who cover a spouse or domestic
5 partner where the spouse or domestic partner has chosen not to enroll
6 in another employer-based group health insurance that has benefits
7 and premiums with an actuarial value of not less than 95 percent of
8 the actuarial value of the public employees' benefits board plan with
9 the largest enrollment. The surcharge payments shall be collected in
10 addition to the member premium payment.

11 (3) The health care authority shall deposit any moneys received
12 on behalf of the uniform medical plan as a result of rebates on
13 prescription drugs, audits of hospitals, subrogation payments, or any
14 other moneys recovered as a result of prior uniform medical plan
15 claims payments, into the public employees' and retirees' insurance
16 account to be used for insurance benefits. Such receipts may not be
17 used for administrative expenditures.

18 **Sec. 903.** 2017 3rd sp.s. c 1 s 937 (uncodified) is amended to
19 read as follows:

20 **COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION—INSURANCE**
21 **BENEFITS**

22 Appropriations for state agencies in this act are sufficient for
23 represented employees outside the super coalition for health
24 benefits, and are subject to the following conditions and
25 limitations:

26 (1) The monthly employer funding rate for insurance benefit
27 premiums, public employees' benefits board administration, and the
28 uniform medical plan, may not exceed \$913 per eligible employee for
29 fiscal year 2018. For fiscal year 2019, the monthly employer funding
30 rate may not exceed (~~(\$957)~~) \$906 per eligible employee.

31 (2) In order to achieve the level of funding provided for health
32 benefits, the public employees' benefits board shall require any or
33 all of the following: Employee premium copayments, increases in
34 point-of-service cost sharing, the implementation of managed
35 competition, or other changes to benefits consistent with RCW
36 41.05.065. The board shall collect a twenty-five dollar per month
37 surcharge payment from members who use tobacco products and a
38 surcharge payment of not less than fifty dollars per month from
39 members who cover a spouse or domestic partner where the spouse or

1 domestic partner has chosen not to enroll in another employer-based
2 group health insurance that has benefits and premiums with an
3 actuarial value of not less than 95 percent of the actuarial value of
4 the public employees' benefits board plan with the largest
5 enrollment. The surcharge payments shall be collected in addition to
6 the member premium payment.

7 (3) The health care authority shall deposit any moneys received
8 on behalf of the uniform medical plan as a result of rebates on
9 prescription drugs, audits of hospitals, subrogation payments, or any
10 other moneys recovered as a result of prior uniform medical plan
11 claims payments, into the public employees' and retirees' insurance
12 account to be used for insurance benefits. Such receipts may not be
13 used for administrative expenditures.

14 **Sec. 904.** 2017 3rd sp.s. c 1 s 942 (uncodified) is amended to
15 read as follows:

16 **COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS**

17 Appropriations for state agencies in this act are sufficient for
18 nonrepresented state employee health benefits for state agencies,
19 including institutions of higher education, and are subject to the
20 following conditions and limitations:

21 (1)(a) The monthly employer funding rate for insurance benefit
22 premiums, public employees' benefits board administration, and the
23 uniform medical plan, may not exceed \$913 per eligible employee for
24 fiscal year 2018. For fiscal year 2019, the monthly employer funding
25 rate may not exceed (~~(\$957)~~) \$906 per eligible employee.

26 (b) In order to achieve the level of funding provided for health
27 benefits, the public employees' benefits board shall require any or
28 all of the following: Employee premium copayments, increases in
29 point-of-service cost sharing, the implementation of managed
30 competition, or make other changes to benefits consistent with RCW
31 41.05.065. The board shall collect a twenty-five dollar per month
32 surcharge payment from members who use tobacco products and a
33 surcharge payment of not less than fifty dollars per month from
34 members who cover a spouse or domestic partner where the spouse or
35 domestic partner has chosen not to enroll in another employer-based
36 group health insurance that has benefits and premiums with an
37 actuarial value of not less than 95 percent of the actuarial value of
38 the public employees' benefits board plan with the largest
39 enrollment. The surcharge payments shall be collected in addition to

1 the member premium payment. All savings resulting from reduced claim
2 costs or other factors identified after December 31, 2016, must be
3 reserved for reducing expenditures in the current biennium, or for
4 funding employee health benefits in the 2019-2021 fiscal biennium,
5 and shall not be used to increase benefits, except as provided in (c)
6 of this subsection.

7 (c) The funding is sufficient for a new virtual diabetes
8 prevention program, and for a change in the waiting period for dental
9 crown replacements in the uniform dental program from seven years to
10 five years.

11 (d) The health care authority shall deposit any moneys received
12 on behalf of the uniform medical plan as a result of rebates on
13 prescription drugs, audits of hospitals, subrogation payments, or any
14 other moneys recovered as a result of prior uniform medical plan
15 claims payments, into the public employees' and retirees' insurance
16 account to be used for insurance benefits. Such receipts may not be
17 used for administrative expenditures.

18 (2) The health care authority, subject to the approval of the
19 public employees' benefits board, shall provide subsidies for health
20 benefit premiums to eligible retired or disabled public employees and
21 school district employees who are eligible for medicare, pursuant to
22 RCW 41.05.085. For calendar years 2018 and 2019, the subsidy shall be
23 up to \$150 per month. The public employees' benefits board may not
24 authorize under RCW 41.05.085, and the health care authority may not
25 provide, a subsidy under this subsection of more than \$150 per month.
26 Funds from reserves accumulated for future adverse claims experience,
27 from past favorable claims experience, or otherwise, may not be used
28 to increase this retiree subsidy beyond what is authorized by the
29 legislature in this subsection.

30 (3) Technical colleges, school districts, and educational service
31 districts shall remit to the health care authority for deposit into
32 the public employees' and retirees' insurance account established in
33 RCW 41.05.120 the following amounts:

34 (a) For each full-time employee, \$64.07 per month beginning
35 September 1, 2017, and (~~(\$68.67)~~) \$69.57 beginning September 1, 2018;

36 (b) For each part-time employee, who at the time of the
37 remittance is employed in an eligible position as defined in RCW
38 41.32.010 or 41.40.010 and is eligible for employer fringe benefit
39 contributions for basic benefits, \$64.07 each month beginning
40 September 1, 2017, and (~~(\$68.67)~~) \$69.57 beginning September 1, 2018,

1 prorated by the proportion of employer fringe benefit contributions
2 for a full-time employee that the part-time employee receives. The
3 remittance requirements specified in this subsection do not apply to
4 employees of a technical college, school district, or educational
5 service district who purchase insurance benefits through contracts
6 with the health care authority.

7 **Sec. 905.** RCW 43.79.445 and 2017 3rd sp.s. c 1 s 970 are each
8 amended to read as follows:

9 There is established an account in the state treasury referred to
10 as the "death investigations account" which shall exist for the
11 purpose of receiving, holding, investing, and disbursing funds
12 appropriated or provided in RCW 70.58.107 and any moneys appropriated
13 or otherwise provided thereafter.

14 Moneys in the death investigations account shall be disbursed by
15 the state treasurer once every year on December 31 and at any other
16 time determined by the treasurer. The treasurer shall make
17 disbursements to: The state toxicology laboratory, counties for the
18 cost of autopsies, the state patrol for providing partial funding for
19 the state dental identification system, the criminal justice training
20 commission for training county coroners, medical examiners and their
21 staff, and the state forensic investigations council. Funds from the
22 death investigations account may be appropriated during the 2013-2015
23 fiscal biennium for the activities of the state crime laboratory
24 within the Washington state patrol. In addition, during the 2017-2019
25 fiscal biennium, the legislature may direct the state treasurer to
26 make transfers of moneys in the death investigations account to the
27 state general fund.

28 **Sec. 906.** 2017 3rd sp.s. c 1 s 944 (uncodified) is amended to
29 read as follows:

30 **INITIATIVE 732 COST-OF-LIVING INCREASES**

31 Part IX of this act authorizes general wage increases for state
32 employees covered by Initiative Measure No. 732. The general wage
33 increases on July 1, 2017, and July 1, 2018, provide a portion of the
34 annual cost-of-living adjustments required under Initiative Measure
35 No. 732. Funding is also provided for additional increases of three-
36 tenths of a percent on July 1, 2017, and (~~seven-tenths~~) one and
37 one-tenth of a percent on July 1, 2018, for cost-of-living
38 adjustments under the initiative. Funding is provided for a salary

1 increase on January 1, 2019, of ~~((one))~~ six-tenths of a percent for
2 these employees, for a nominal total of a six percent increase during
3 the 2017-2019 fiscal biennium.

4 NEW SECTION. Sec. 907. A new section is added to 2017 3rd sp.s.
5 c 1 (uncodified) to read as follows:

6 A paid family and medical leave program was created by chapter 5,
7 Laws of 2017 3rd sp. sess. The state, as an employer, will be
8 responsible for payment of employer premiums for employees beginning
9 January 1, 2019, other than those covered by a collective bargaining
10 agreement. Funding is provided for this obligation, and for an
11 additional employer contribution for employee premiums for
12 nonrepresented employees earning less than the equivalent of \$34,060
13 annually.

14 NEW SECTION. Sec. 908. A new section is added to 2017 3rd sp.s.
15 c 1 (uncodified) to read as follows:

16 Appropriations in part VII of this act include funding for an
17 increase in pension contribution rates for several state pension
18 systems. An increase of twelve one-hundredths of one-percent is
19 funded for state employer contributions to the public employees' and
20 public safety employees' retirement systems. An increase of twenty-
21 six one-hundredths of one percent is funded for school employer
22 contributions to the teachers' retirement system and an increase of
23 twelve one-hundredths of one percent for employer contributions to
24 the school employees' retirement system. These increases are provided
25 for the purpose of a one-time, two percent, ongoing pension increase
26 for retirees in the public employees' retirement system plan 1 and
27 teachers' retirement system plan 1.

28 **Sec. 909.** RCW 41.26.802 and 2017 3rd sp.s. c 1 s 964 are each
29 amended to read as follows:

30 ~~(1) ((By September 30, 2011, if the prior fiscal biennium's
31 general state revenues exceed the previous fiscal biennium's revenues
32 by more than five percent, subject to appropriation by the
33 legislature, the state treasurer shall transfer five million dollars
34 to the local public safety enhancement account.~~

35 ~~(2))~~ By September 30, 2019, and by September 30 of each
36 odd-numbered year thereafter, if the prior fiscal biennium's general
37 state revenues exceed the previous fiscal biennium's revenues by more

1 than five percent, subject to appropriation by the legislature, the
2 state treasurer shall transfer the lesser of one-third of the
3 increase, or fifty million dollars, to the local public safety
4 enhancement account.

5 (2) It is the intent of the legislature to fund any distributions
6 in 2019 dedicated to the local law enforcement officers' and
7 firefighters' retirement system benefits improvement account through
8 alternative means, which may include transfer from the law
9 enforcement officers' and firefighters' plan 2 retirement fund.

10 **Sec. 910.** RCW 79.105.150 and 2017 3rd sp.s. c 1 s 987 are each
11 amended to read as follows:

12 (1) After deduction for management costs as provided in RCW
13 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
14 received by the state from the sale or lease of state-owned aquatic
15 lands and from the sale of valuable material from state-owned aquatic
16 lands shall be deposited in the aquatic lands enhancement account
17 which is hereby created in the state treasury. After appropriation,
18 these funds shall be used solely for aquatic lands enhancement
19 projects; for the purchase, improvement, or protection of aquatic
20 lands for public purposes; for providing and improving access to the
21 lands; and for volunteer cooperative fish and game projects. During
22 the 2013-2015, 2015-2017, and 2017-2019 fiscal biennia, the aquatic
23 lands enhancement account may be used to support the shellfish
24 program, the ballast water program, hatcheries, the Puget Sound toxic
25 sampling program and steelhead mortality research at the department
26 of fish and wildlife, the knotweed program at the department of
27 agriculture, actions at the University of Washington for reducing
28 ocean acidification, which may include the creation of a center on
29 ocean acidification, the Puget SoundCorps program, and support of the
30 marine resource advisory council and the Washington coastal marine
31 advisory council. During the 2013-2015 (~~biennium~~) and 2017-2019
32 fiscal biennia, the legislature may transfer from the aquatic lands
33 enhancement account to the geoduck aquaculture research account for
34 research related to shellfish aquaculture. During the 2015-2017
35 fiscal biennium, the legislature may transfer moneys from the aquatic
36 lands enhancement account to the marine resources stewardship trust
37 account.

38 (2) In providing grants for aquatic lands enhancement projects,
39 the recreation and conservation funding board shall:

1 (a) Require grant recipients to incorporate the environmental
2 benefits of the project into their grant applications;

3 (b) Utilize the statement of environmental benefits,
4 consideration, except as provided in RCW 79.105.610, of whether the
5 applicant is a Puget Sound partner, as defined in RCW 90.71.010,
6 whether a project is referenced in the action agenda developed by the
7 Puget Sound partnership under RCW 90.71.310, and except as otherwise
8 provided in RCW 79.105.630, and effective one calendar year following
9 the development and statewide availability of model evergreen
10 community management plans and ordinances under RCW 35.105.050,
11 whether the applicant is an entity that has been recognized, and what
12 gradation of recognition was received, in the evergreen community
13 recognition program created in RCW 35.105.030 in its prioritization
14 and selection process; and

15 (c) Develop appropriate outcome-focused performance measures to
16 be used both for management and performance assessment of the grants.

17 (3) To the extent possible, the department should coordinate its
18 performance measure system with other natural resource-related
19 agencies as defined in RCW 43.41.270.

20 (4) The department shall consult with affected interest groups in
21 implementing this section.

22 (5) (~~After January 1, 2010,~~) Any project designed to address
23 the restoration of Puget Sound may be funded under this chapter only
24 if the project is not in conflict with the action agenda developed by
25 the Puget Sound partnership under RCW 90.71.310.

26 **Sec. 911.** RCW 86.26.007 and 2015 3rd sp.s. c 4 s 978 are each
27 amended to read as follows:

28 The flood control assistance account is hereby established in the
29 state treasury. At the beginning of the 2005-2007 fiscal biennium,
30 the state treasurer shall transfer three million dollars from the
31 general fund to the flood control assistance account. Each biennium
32 thereafter the state treasurer shall transfer four million dollars
33 from the general fund to the flood control assistance account, except
34 that during the 2011-2013 fiscal biennium, the state treasurer shall
35 transfer one million dollars from the general fund to the flood
36 control assistance account. Moneys in the flood control assistance
37 account may be spent only after appropriation for purposes specified
38 under this chapter. During the 2013-2015 fiscal biennium and the
39 2015-2017 fiscal biennium, the legislature may transfer from the

1 flood control assistance account to the state general fund such
2 amounts as reflect the excess fund balance of the account. During the
3 2017-2019 fiscal biennium, the legislature may appropriate moneys
4 from the account for the purposes specified under chapter 90.--- RCW
5 (the new chapter created in section 305, chapter 1, Laws of 2018).

6 **Sec. 912.** RCW 69.50.540 and 2017 3rd sp.s. c 1 s 979 are each
7 amended to read as follows:

8 The legislature must annually appropriate moneys in the dedicated
9 marijuana account created in RCW 69.50.530 as follows:

10 (1) For the purposes listed in this subsection (1), the
11 legislature must appropriate to the respective agencies amounts
12 sufficient to make the following expenditures on a quarterly basis:

13 (a) Beginning July 1, 2015, one hundred twenty-five thousand
14 dollars to the department of social and health services to design and
15 administer the Washington state healthy youth survey, analyze the
16 collected data, and produce reports, in collaboration with the office
17 of the superintendent of public instruction, department of health,
18 department of commerce, family policy council, and state liquor and
19 cannabis board. The survey must be conducted at least every two years
20 and include questions regarding, but not necessarily limited to,
21 academic achievement, age at time of substance use initiation,
22 antisocial behavior of friends, attitudes toward antisocial behavior,
23 attitudes toward substance use, laws and community norms regarding
24 antisocial behavior, family conflict, family management, parental
25 attitudes toward substance use, peer rewarding of antisocial
26 behavior, perceived risk of substance use, and rebelliousness. Funds
27 disbursed under this subsection may be used to expand administration
28 of the healthy youth survey to student populations attending
29 institutions of higher education in Washington;

30 (b) Beginning July 1, 2015, fifty thousand dollars to the
31 department of social and health services for the purpose of
32 contracting with the Washington state institute for public policy to
33 conduct the cost-benefit evaluation and produce the reports described
34 in RCW 69.50.550. This appropriation ends after production of the
35 final report required by RCW 69.50.550;

36 (c) Beginning July 1, 2015, five thousand dollars to the
37 University of Washington alcohol and drug abuse institute for the
38 creation, maintenance, and timely updating of web-based public

1 education materials providing medically and scientifically accurate
2 information about the health and safety risks posed by marijuana use;

3 (d)(i) An amount not less than one million two hundred fifty
4 thousand dollars to the state liquor and cannabis board for
5 administration of this chapter as appropriated in the omnibus
6 appropriations act; and

7 (ii) (~~Three hundred fifty-one thousand seven hundred~~) Two
8 million six hundred fifty-two thousand dollars for fiscal year 2018
9 and three hundred fifty-one thousand seven hundred fifty dollars for
10 fiscal year 2019 to the health professions account established under
11 RCW 43.70.320 for the development and administration of the marijuana
12 authorization database by the department of health. It is the intent
13 of the legislature that this policy will be continued in the
14 2019-2021 fiscal biennium;

15 (e) Twenty-three thousand seven hundred fifty dollars to the
16 department of enterprise services provided solely for the state
17 building code council established under RCW 19.27.070, to develop and
18 adopt fire and building code provisions related to marijuana
19 processing and extraction facilities. The distribution under this
20 subsection (1)(e) is for fiscal year 2016 only;

21 (2) From the amounts in the dedicated marijuana account after
22 appropriation of the amounts identified in subsection (1) of this
23 section, the legislature must appropriate for the purposes listed in
24 this subsection (2) as follows:

25 (a)(i) Up to fifteen percent to the department of social and
26 health services division of behavioral health and recovery for the
27 development, implementation, maintenance, and evaluation of programs
28 and practices aimed at the prevention or reduction of maladaptive
29 substance use, substance use disorder, substance abuse or substance
30 dependence, as these terms are defined in the Diagnostic and
31 Statistical Manual of Mental Disorders, among middle school and high
32 school-age students, whether as an explicit goal of a given program
33 or practice or as a consistently corresponding effect of its
34 implementation, mental health services for children and youth, and
35 services for pregnant and parenting women; PROVIDED, That:

36 (A) Of the funds appropriated under (a)(i) of this subsection for
37 new programs and new services, at least eighty-five percent must be
38 directed to evidence-based or research-based programs and practices
39 that produce objectively measurable results and, by September 1,
40 2020, are cost-beneficial; and

1 (B) Up to fifteen percent of the funds appropriated under (a)(i)
2 of this subsection for new programs and new services may be directed
3 to proven and tested practices, emerging best practices, or promising
4 practices.

5 (ii) In deciding which programs and practices to fund, the
6 secretary of the department of social and health services must
7 consult, at least annually, with the University of Washington's
8 social development research group and the University of Washington's
9 alcohol and drug abuse institute.

10 (iii) For the fiscal year beginning July 1, 2016, the legislature
11 must appropriate a minimum of twenty-seven million seven hundred
12 eighty-six thousand dollars, and for each subsequent fiscal year
13 thereafter, the legislature must appropriate a minimum of twenty-five
14 million five hundred thirty-six thousand dollars under this
15 subsection (2)(a);

16 (b)(i) Up to ten percent to the department of health for the
17 following, subject to (b)(ii) of this subsection (2):

18 (A) Creation, implementation, operation, and management of a
19 marijuana education and public health program that contains the
20 following:

21 (I) A marijuana use public health hotline that provides referrals
22 to substance abuse treatment providers, utilizes evidence-based or
23 research-based public health approaches to minimizing the harms
24 associated with marijuana use, and does not solely advocate an
25 abstinence-only approach;

26 (II) A grants program for local health departments or other local
27 community agencies that supports development and implementation of
28 coordinated intervention strategies for the prevention and reduction
29 of marijuana use by youth; and

30 (III) Media-based education campaigns across television,
31 internet, radio, print, and out-of-home advertising, separately
32 targeting youth and adults, that provide medically and scientifically
33 accurate information about the health and safety risks posed by
34 marijuana use;

35 (B) The Washington poison control center; and

36 (C) During the 2015-2017 fiscal biennium, the funds appropriated
37 under this subsection (2)(b) may be used for prevention activities
38 that target youth and populations with a high incidence of tobacco
39 use.

1 (ii) For the fiscal year beginning July 1, 2016, the legislature
2 must appropriate a minimum of seven million five hundred thousand
3 dollars and for each subsequent fiscal year thereafter, the
4 legislature must appropriate a minimum of nine million seven hundred
5 fifty thousand dollars under this subsection (2)(b);

6 (c)(i) Up to six-tenths of one percent to the University of
7 Washington and four-tenths of one percent to Washington State
8 University for research on the short and long-term effects of
9 marijuana use, to include but not be limited to formal and informal
10 methods for estimating and measuring intoxication and impairment, and
11 for the dissemination of such research.

12 (ii) For the fiscal year beginning July 1, 2016, the legislature
13 must appropriate a minimum of two hundred seven thousand dollars and
14 for each subsequent fiscal year, except for the 2017-2019 fiscal
15 biennium, the legislature must appropriate a minimum of one million
16 twenty-one thousand dollars to the University of Washington. For the
17 fiscal year beginning July 1, 2016, the legislature must appropriate
18 a minimum of one hundred thirty-eight thousand dollars and for each
19 subsequent fiscal year thereafter, except for the 2017-2019 fiscal
20 biennium, a minimum of six hundred eighty-one thousand dollars to
21 Washington State University under this subsection (2)(c). It is the
22 intent of the legislature that this policy will be continued in the
23 2019-2021 fiscal biennium;

24 (d) Fifty percent to the state basic health plan trust account to
25 be administered by the Washington basic health plan administrator and
26 used as provided under chapter 70.47 RCW;

27 (e) Five percent to the Washington state health care authority to
28 be expended exclusively through contracts with community health
29 centers to provide primary health and dental care services, migrant
30 health services, and maternity health care services as provided under
31 RCW 41.05.220;

32 (f)(i) Up to three-tenths of one percent to the office of the
33 superintendent of public instruction to fund grants to building
34 bridges programs under chapter 28A.175 RCW.

35 (ii) For the fiscal year beginning July 1, 2016, and each
36 subsequent fiscal year, the legislature must appropriate a minimum of
37 five hundred eleven thousand dollars to the office of the
38 superintendent of public instruction under this subsection (2)(f);
39 and

1 (g) At the end of each fiscal year, the treasurer must transfer
2 any amounts in the dedicated marijuana account that are not
3 appropriated pursuant to subsection (1) of this section and this
4 subsection (2) into the general fund, except as provided in (g)(i) of
5 this subsection (2).

6 (i) Beginning in fiscal year 2018, if marijuana excise tax
7 collections deposited into the general fund in the prior fiscal year
8 exceed twenty-five million dollars, then each fiscal year the
9 legislature must appropriate an amount equal to thirty percent of all
10 marijuana excise taxes deposited into the general fund the prior
11 fiscal year to the treasurer for distribution to counties, cities,
12 and towns as follows:

13 (A) Thirty percent must be distributed to counties, cities, and
14 towns where licensed marijuana retailers are physically located. Each
15 jurisdiction must receive a share of the revenue distribution under
16 this subsection (2)(g)(i)(A) based on the proportional share of the
17 total revenues generated in the individual jurisdiction from the
18 taxes collected under RCW 69.50.535, from licensed marijuana
19 retailers physically located in each jurisdiction. For purposes of
20 this subsection (2)(g)(i)(A), one hundred percent of the proportional
21 amount attributed to a retailer physically located in a city or town
22 must be distributed to the city or town.

23 (B) Seventy percent must be distributed to counties, cities, and
24 towns ratably on a per capita basis. Counties must receive sixty
25 percent of the distribution, which must be disbursed based on each
26 county's total proportional population. Funds may only be distributed
27 to jurisdictions that do not prohibit the siting of any state
28 licensed marijuana producer, processor, or retailer.

29 (ii) Distribution amounts allocated to each county, city, and
30 town must be distributed in four installments by the last day of each
31 fiscal quarter.

32 (iii) By September 15th of each year, the state liquor and
33 cannabis board must provide the state treasurer the annual
34 distribution amount, if any, for each county and city as determined
35 in (g)(i) of this subsection (2).

36 (iv) The total share of marijuana excise tax revenues distributed
37 to counties and cities in (g)(i) of this subsection (2) may not
38 exceed six million dollars in fiscal years 2018 and 2019 and twenty
39 million dollars per fiscal year thereafter. ~~((However, if the~~
40 ~~February 2018 forecast of state revenues for the general fund in the~~

1 ~~2017-2019 fiscal biennium exceeds the amount estimated in the June~~
2 ~~2017 revenue forecast by over eighteen million dollars after~~
3 ~~adjusting for changes directly related to legislation adopted in the~~
4 ~~2017 legislative session, the total share of marijuana excise tax~~
5 ~~revenue distributed to counties and cities in (g)(i) of this~~
6 ~~subsection (2) may not exceed fifteen million dollars in fiscal years~~
7 ~~2018 and 2019.)~~ It is the intent of the legislature that the policy
8 for the maximum distributions in the subsequent fiscal biennia will
9 be no more than ((~~\$6~~)) six million dollars per fiscal year.

10 For the purposes of this section, "marijuana products" means
11 "useable marijuana," "marijuana concentrates," and "marijuana-infused
12 products" as those terms are defined in RCW 69.50.101.

13 **Sec. 913.** RCW 39.12.080 and 2006 c 230 s 2 are each amended to
14 read as follows:

15 The public works administration account is created in the state
16 treasury. The department of labor and industries shall deposit in the
17 account all moneys received from fees or civil penalties collected
18 under RCW 39.12.050, 39.12.065, and 39.12.070. Appropriations from
19 the account may be made only for the purposes of administration of
20 this chapter, including, but not limited to, the performance of
21 adequate wage surveys, and for the investigation and enforcement of
22 all alleged violations of this chapter as provided for in this
23 chapter and chapters 49.48 and 49.52 RCW. During the 2017-2019 fiscal
24 biennium the legislature may direct the state treasurer to make
25 transfers of moneys in the public works administration account to the
26 state general fund. It is the intent of the legislature to use the
27 moneys transferred in the 2017-2019 biennium to support
28 apprenticeship programs.

29 **Sec. 914.** RCW 77.12.203 and 2017 3rd sp.s. c 1 s 984 are each
30 amended to read as follows:

31 (1) Except as provided in subsection (5) of this section and
32 notwithstanding RCW 84.36.010 or other statutes to the contrary, the
33 director must pay by April 30th of each year on game lands,
34 regardless of acreage, in each county, if requested by an election
35 under RCW 77.12.201, an amount in lieu of real property taxes equal
36 to that amount paid on similar parcels of open space land taxable
37 under chapter 84.34 RCW or the greater of seventy cents per acre per
38 year or the amount paid in 1984 plus an additional amount for control

1 of noxious weeds equal to that which would be paid if such lands were
2 privately owned. This amount may not be assessed or paid on
3 department buildings, structures, facilities, game farms, fish
4 hatcheries, water access sites, tidelands, or public fishing areas.

5 (2) "Game lands," as used in this section and RCW 77.12.201,
6 means those tracts, regardless of acreage, owned in fee by the
7 department and used for wildlife habitat and public recreational
8 purposes. All lands purchased for wildlife habitat, public access, or
9 recreation purposes with federal funds in the Snake River drainage
10 basin are considered game lands regardless of acreage.

11 (3) This section does not apply to lands transferred after April
12 23, 1990, to the department from other state agencies.

13 (4) The county must distribute the amount received under this
14 section in lieu of real property taxes to all property taxing
15 districts except the state in appropriate tax code areas the same way
16 it would distribute local property taxes from private property. The
17 county must distribute the amount received under this section for
18 weed control to the appropriate weed district.

19 (5) For the 2013-2015 and 2015-2017 fiscal biennia, the director
20 must pay by April 30th of each year on game lands in each county, if
21 requested by an election under RCW 77.12.201, an amount in lieu of
22 real property taxes and must be distributed as follows:

23	County	
24	Adams.....	1,909
25	Asotin.....	36,123
26	Chelan.....	24,757
27	Columbia.....	7,795
28	Ferry.....	6,781
29	Garfield.....	4,840
30	Grant.....	37,443
31	Kittitas.....	143,974
32	Klickitat.....	21,906
33	Lincoln.....	13,535
34	Okanogan.....	151,402
35	Pend Oreille.....	3,309
36	Yakima.....	126,225

1 These amounts may not be assessed or paid on department buildings,
2 structures, facilities, game farms, fish hatcheries, water access
3 sites, tidelands, or public fishing areas.

4 (6) For the 2017-2019 fiscal biennium, the director must pay by
5 April 30th of each year on game lands in each county, if requested by
6 an election under RCW 77.12.201, an amount in lieu of real property
7 taxes and must be distributed as follows:

8	County
9	Adams.....1,235
10	Asotin..... ((26,425)) <u>54,167</u>
11	Chelan..... 39,858
12	Columbia..... 20,713
13	Ferry..... 22,798
14	Garfield..... 12,744
15	Grant..... 71,930
16	Kittitas..... 382,638
17	Klickitat..... 51,019
18	Lincoln..... 13,000
19	Okanogan..... 264,036
20	Pend Oreille..... 5,546
21	Yakima..... 186,056

22 These amounts may not be assessed or paid on department buildings,
23 structures, facilities, game farms, fish hatcheries, water access
24 sites, tidelands, or public fishing areas.

25 NEW SECTION. **Sec. 915.** A new section is added to 2017 3rd sp.s.
26 c 1 (uncodified) to read as follows:

27 (1) A joint legislative task force is created to develop
28 strategies for identification and intervention against potential
29 perpetrators of mass shootings and to report on recommendations for
30 their prevention.

31 (2) The task force is composed of members as provided in this
32 subsection.

33 (a) The president of the senate shall appoint one member from
34 each of the two largest caucuses of the senate.

1 (b) The speaker of the house of representatives shall appoint one
2 member from each of the two largest caucuses of the house of
3 representatives.

4 (c) The president of the senate and the speaker of the house of
5 representatives jointly shall appoint members representing:

6 (i) The Washington association of sheriffs and police chiefs;

7 (ii) The Washington state patrol;

8 (iii) The superintendent of public instruction;

9 (iv) The Washington association of prosecuting attorneys;

10 (v) The Washington association of criminal defense attorneys or
11 the Washington defender association;

12 (vi) The Washington state association of counties;

13 (vii) The office of the attorney general;

14 (viii) The American civil liberties union of Washington;

15 (ix) Two colleges or universities in Washington state;

16 (x) The superior court judges' association; and

17 (xii) The administrative office for the courts.

18 (d) No less than two family members of victims of mass shootings
19 must be invited to sit on the task force.

20 (3) The task force shall assess and make recommendations
21 regarding:

22 (a) Strategies to identify persons who may commit mass shootings
23 associated with K-12 schools and colleges and universities;

24 (b) A survey of services around the state available for those
25 experiencing a mental health crisis;

26 (c) A survey of state and federal laws related to intervening
27 against potential perpetrators or confiscating their firearms; and

28 (d) Strategies used by other states or recommended nationally to
29 address the problem of mass shootings.

30 (4) The legislative membership shall convene the initial meeting
31 of the task force no later than June 2018.

32 (5) The task force shall submit a report, which may include
33 findings, recommendations, and proposed legislation, to the
34 appropriate committees of the legislature by December 1, 2018. The
35 report shall consider the following strategies:

36 (a) Promoting to the public the availability of extreme risk
37 protection orders as a means of avoiding mass shootings;

38 (b) A rapid response interdisciplinary team compromised of law
39 enforcement, mental health experts, and other appropriate parties who

1 could be mobilized to intervene and prevent a potential crisis at a
2 school or institution of higher learning; and

3 (c) Whether reasonable restrictions should be imposed on the
4 access to firearms by those suffering from a mental illness that are
5 consistent with the individual right to bear arms.

6 (6) Staff support for the task force must be provided by the
7 senate committee services and the house of representatives office of
8 program research.

9 (7) Legislative members of the task force are reimbursed for
10 travel expenses in accordance with RCW 44.04.120. Nonlegislative
11 members are not entitled to be reimbursed for travel expenses if they
12 are elected officials or are participating on behalf of an employer,
13 governmental entity, or other organization. Any reimbursement for
14 other nonlegislative members is subject to chapter 43.03 RCW.

15 (8) The expenses of the task force shall be paid jointly by the
16 senate and the house of representatives. Task force expenditures are
17 subject to approval by the senate facilities and operations committee
18 and the house of representatives executive rules committee, or their
19 successor committees.

20 (9) This section expires July 1, 2019.

21 NEW SECTION. **Sec. 916.** If any provision of this act or its
22 application to any person or circumstance is held invalid, the
23 remainder of the act or the application of the provision to other
24 persons or circumstances is not affected.

25 NEW SECTION. **Sec. 917.** This act is necessary for the immediate
26 preservation of the public peace, health, or safety, or support of
27 the state government and its existing public institutions, and takes
28 effect immediately."

(End of part)

SSB 6032 - S AMD
By Senator Braun

29 On page 1, line 1 of the title, after "matters;" strike the
30 remainder of the title and insert "amending RCW 43.41.433, 43.79.445,
31 41.26.802, 79.105.150, 86.26.007, 69.50.540, 39.12.080, and

1 77.12.203; amending 2017 3rd sp.s. c 1 ss 101, 102, 103, 104, 105,
2 106, 107, 108, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120,
3 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134,
4 135, 136, 137, 139, 140, 141, 142, 143, 144, 145, 147, 149, 150, 201,
5 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215,
6 216, 217, 218, 219, 220, 221, 222, 223, 301, 302, 303, 304, 305, 306,
7 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 507, 508,
8 510, 509, 511, 512, 513, 514, 515, 516, 518, 519, 520, 605, 606, 607,
9 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 701,
10 703, 708, 720, 718, 801, 805, 936, 937, 942, and 944 (uncodified);
11 adding new sections to 2017 3rd sp.s. c 1 (uncodified); repealing
12 2017 3rd sp.s. c 1 s 737 (uncodified); making appropriations;
13 providing an expiration date; and declaring an emergency."

(End of Bill)

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