

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 2259

Chapter 454, Laws of 1997

(partial veto)

55th Legislature  
1997 Regular Session

OPERATING BUDGET, 1997-1999--SUPPLEMENTAL OPERATING BUDGET, 1995-1997

EFFECTIVE DATE: 5/20/97

Passed by the House April 26, 1997  
Yeas 52 Nays 46

CERTIFICATE

\_\_\_\_\_  
BALLARD  
**Speaker of the  
House of Representatives**

CLYDE

I, Timothy A. Martin,  
Chief Clerk of the House  
of Representatives of  
the State of Washington,  
do hereby certify that  
the attached is  
**SUBSTITUTE HOUSE BILL  
2259** as passed by the  
House of Representatives  
and the Senate on the  
dates hereon set forth.

Passed by the Senate April 26, 1997  
Yeas 27 Nays 22

\_\_\_\_\_  
OWEN  
**President of the Senate**

BRAD

\_\_\_\_\_  
A. MARTIN

**Chief**

Approved May 20, 1997, with the  
exception of sections 204(1);  
204(6)(a); 204 (6)(b);  
204(6)(c); 204(9)(d); 206(3);  
207(2); 210(5); 213(2)(d);  
302(3); 302(4); 302(5); 302(17);  
302(22); 304(16); 501(1)(e);  
501(2)(e)(i); 503(4)(b); 503(5);  
506(8); 507(4); 507(5); 507(6);  
602(2); 611(5)(a)(i); 702; 706;  
902, and 1608, page 211, lines  
24-38 and page 212, lines 1-2,  
which are vetoed.

FILED

May 20, 1997 - 4:37 p.m.

\_\_\_\_\_  
LOCKE  
**Governor of the State of Washington**

GARY

**of State  
Washington**

**Secretary  
State of**

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**SUBSTITUTE HOUSE BILL 2259**  
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Passed Legislature - 1997 Regular Session

**State of Washington                      55th Legislature                      1997 Regular Session**

**By** House Committee on Appropriations (originally sponsored by Representatives Huff, H. Sommers, Dickerson and Conway; by request of Governor Locke)

Read first time 3-31-97.

AN ACT Relating to fiscal matters; amending RCW 43.79.445; amending 1997 c 149 ss 103, 118, 127, 149, 151, 207, 208, 211, 212, 213, 220, 218, 221, 222, 225, 302, 303, 308, 515, 610, 709, 801, and 803 (uncodified); amending 1996 c 283 ss 106, 109, 113, 114, 116, 121, 124, 132, 133, 135, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 214, 215, 216, 217, 218, 220, 301, 302, 304, 305, 306, 402, 501, 502, 504, 505, 506, 507, 509, 511, 512, 514, 515, 516, 602, 603, 604, 605, 606, 607, 608, 609, 610, 613, 701, 702, 703, 705, 709, 801, 802, and 803 (uncodified); amending 1995 2nd sp.s. c 18 ss 116, 145, 210, 213, 214, and 306 (uncodified); adding new sections to 1995 2nd sp.s. c 18 (uncodified); creating new sections; repealing 1997 c 149 s 710 (uncodified) and 1997 c 149 s 719 (uncodified); making appropriations; and declaring an emergency.

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

NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject to the provisions set forth in the following sections, the several amounts specified in parts I through VIII of this act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for salaries, wages, and other expenses of the agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 1997, and ending June 30, 1999, except as otherwise provided, out of the several funds of the state hereinafter named.

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

(a) "Fiscal year 1998" or "FY 1998" means the fiscal year ending June 30, 1998.

(b) "Fiscal year 1999" or "FY 1999" means the fiscal year ending June 30, 1999.

(c) "FTE" means full time equivalent.

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

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is unnecessary to fulfill the specified purpose shall lapse.

**PART I**  
**GENERAL GOVERNMENT**

**Sec. 101.** 1997 c 149 s 103 (uncodified) is amended to read as follows:

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

General Fund Appropriation (FY 1998).....	\$ (( <del>1,524,000</del> ))
	<u>1,421,000</u>
General Fund Appropriation (FY 1999).....	\$ (( <del>1,837,000</del> ))
	<u>1,425,000</u>
TOTAL APPROPRIATION.....	\$ (( <del>3,361,000</del> ))
	<u>2,846,000</u>

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

~~((1) \$103,000 of the general fund fiscal year 1998 appropriation and \$412,000 of the general fund fiscal year 1999 appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5633 (performance audit of the department of transportation). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.~~

~~————(2))~~ \$50,000 of the general fund appropriation for fiscal year 1998 is provided solely to implement Substitute Senate Bill No. 5071 (school district territory). If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

**Sec. 102.** 1997 c 149 s 118 (uncodified) is amended to read as follows:

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

General Fund Appropriation (FY 1998).....	\$ (( <del>185,000</del> ))
	<u>230,000</u>
General Fund Appropriation (FY 1999).....	\$ (( <del>188,000</del> ))
	<u>233,000</u>
TOTAL APPROPRIATION.....	\$ (( <del>373,000</del> ))
	<u>463,000</u>

**NEW SECTION. Sec. 103. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

General Fund--State Appropriation (FY 1998).....	\$ 57,361,000
General Fund--State Appropriation (FY 1999).....	\$ 56,351,000
General	Fund--Federal
Appropriation.....	\$.....
..... 155,278,000	
General Fund--Private/Local Appropriation.....	\$ 6,903,000
Public Safety and Education Account	
Appropriation.....	\$ 8,781,000
Public Works Assistance Account	
Appropriation.....	\$ 2,223,000
Building Code Council Account Appropriation.....	\$ 1,318,000
Administrative Contingency Account	
Appropriation.....	\$ 1,776,000
Low-Income Weatherization Assistance Account	
Appropriation.....	\$ 923,000
Violence Reduction and Drug Enforcement Account	
Appropriation.....	\$ 6,042,000
Manufactured Home Installation Training Account	
Appropriation.....	\$ 250,000
Washington Housing Trust Account	
Appropriation.....	\$ 7,999,000
Public Facility Construction Loan Revolving Account	
Appropriation.....	\$ 515,000
TOTAL APPROPRIATION.....	\$ 305,720,000

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

(1) \$3,282,500 of the general fund--state appropriation for fiscal year 1998 and \$3,282,500 of the general fund--state appropriation for fiscal year 1999 are provided solely for a contract with the Washington technology center. For work essential to the mission of

the Washington technology center and conducted in partnership with universities, the center shall not pay any increased indirect rate nor increases in other indirect charges above the absolute amount paid during the 1995-97 biennium.

(2) \$155,000 of the general fund--state appropriation for fiscal year 1998 and \$155,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for a contract with the Washington manufacturing extension partnership.

(3) \$9,964,000 of the general fund--federal appropriation is provided solely for the drug control and system improvement formula grant program, to be distributed in state fiscal year 1998 as follows:

(a) \$3,603,250 to local units of governments to continue the multi-jurisdictional narcotics task forces;

(b) \$500,000 to the department to continue the state-wide drug prosecution assistance program in support of multijurisdictional narcotics task forces;

(c) \$1,306,075 to the Washington state patrol for coordination, investigative, and supervisory support to the multijurisdictional narcotics task forces and for methamphetamine education and response;

(d) \$240,000 to the department for grants to support tribal law enforcement needs;

(e) \$900,000 to drug courts in eastern and western Washington;

(f) \$300,000 to the department for grants to provide sentencing alternatives training programs to defenders;

(g) \$200,000 for grants to support substance-abuse treatment in county jails;

(h) \$517,075 to the department for legal advocacy for victims of domestic violence and for training of local law enforcement officers and prosecutors on domestic violence laws and procedures;

(i) \$903,000 to the department to continue youth violence prevention and intervention projects;

(j) \$91,000 for the governor's council on substance abuse;

(k) \$99,000 for program evaluation and monitoring;

(l) \$100,000 for the department of corrections for a feasibility study of replacing or updating the offender based tracking system.

(m) \$498,200 for development of a state-wide system to track criminal history records; and

(n) No more than \$706,400 to the department for grant administration and reporting.

These amounts represent the maximum Byrne grant expenditure authority for each program. No program may expend Byrne grant funds in excess of the amounts provided in this section. If moneys in excess of those appropriated in this section become available, whether from prior or current fiscal year Byrne grant distributions, the department shall hold these moneys in reserve and may not expend them without a specific appropriation. These moneys shall be carried forward and applied to the pool of moneys available for appropriation for programs and projects in the succeeding fiscal year. As part of its budget request for the succeeding fiscal year, the department shall estimate and request authority to spend any funds remaining in reserve as a result of this subsection.

(4) \$1,000,000 of the general fund fiscal year 1998 appropriation and \$1,000,000 of the general fund fiscal year 1999 appropriation are provided solely to implement Engrossed Substitute House Bill No. 1576 (buildable lands) or Senate Bill No. 6094 (growth management). If neither bill is enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(5) \$4,800,000 of the public safety and education account appropriation, \$1,000,000 of the fiscal year 1998 general fund--state appropriation, and \$1,000,000 of the fiscal year 1999 general fund--state appropriation are provided solely for indigent civil legal representation services contracts and contracts administration. The amounts provided in this subsection are contingent upon enactment of section 2 of Engrossed Substitute House Bill No. 2276 (civil legal services for indigent persons). If section 2 of the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(6) \$643,000 of the general fund--state fiscal year 1998 appropriation and \$643,000 of the general fund--state fiscal year 1999 appropriation are provided solely to increase payment rates for contracted early childhood education assistance program providers. It is the legislature's intent that these amounts shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(7) \$75,000 of the general fund--state fiscal year 1998 appropriation and \$75,000 of the general fund--state fiscal year 1999 appropriation are provided solely as a grant for the community connections program in Walla Walla county.

(8) \$300,000 of the general fund--state fiscal year 1998 appropriation and \$300,000 of the general fund--state fiscal year 1999 appropriation are provided solely to contract with the Washington state association of court-appointed special advocates/guardians ad litem (CASA/GAL) to establish pilot programs in three counties to recruit additional community volunteers to represent the interests of children in dependency proceedings. Of this amount, a maximum of \$30,000 shall be used by the department to contract for an evaluation of the effectiveness of CASA/GAL in improving outcomes for dependent children. The evaluation shall address the cost-effectiveness of CASA/GAL and to the extent possible, identify savings in other programs of the state budget where the savings resulted from the efforts of the CASA/GAL volunteers. The department shall report to the governor and legislature by October 15, 1998.

(9) \$75,000 of the general fund--state appropriation for fiscal year 1999 is provided solely for state sponsorship of the "BIO 99" international biotechnology conference and exhibition in the Seattle area in 1999.

(10) \$698,000 of the general fund--state appropriation for fiscal year 1998, \$697,000 of the general fund--state appropriation for fiscal year 1999, and \$1,101,000 of the administrative contingency account appropriation are provided solely for contracting with associate development organizations.

(11) \$50,000 of the general fund--state appropriation for fiscal year 1998 and \$50,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to expand the long-term care ombudsman program.

(12) \$60,000 of the general fund--state appropriation for fiscal year 1998 and \$60,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for implementation of the Puget Sound work plan action item DCTED-01.

(13) \$20,000 of the general fund--state appropriation for fiscal year 1998 is provided solely for a task force on tourism promotion and development. The task force shall report to the legislature on its findings and recommendations by January 31, 1998.

(14) \$61,000 of the general fund--state appropriation for fiscal year 1998 and \$60,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the pacific northwest economic region (PNWER).

(15) \$123,000 of the general fund--state appropriation for fiscal year 1998 and \$124,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the community development finance program.

(16) Within the appropriations provided in this section, the department shall conduct a study of possible financial incentives to assist in revitalization of commercial areas and report its findings and recommendations to the appropriate committees of the legislature by November 15, 1997.

**Sec. 104.** 1997 c 149 s 127 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund--State Appropriation (FY 1998)....	\$	((10,178,000))	
			<u>10,530,000</u>
General Fund--State Appropriation (FY 1999)....	\$	((9,916,000))	
			<u>10,253,000</u>
General			Fund--Federal
Appropriation.....	\$		
..... 23,331,000			
TOTAL APPROPRIATION.....	\$	((43,425,000))	
			<u>44,114,000</u>

~~((The appropriations in this section are subject to the following conditions and limitations: \$125,000 of the general fund state appropriation for fiscal year 1998 and \$125,000 of the general fund state appropriation for fiscal year 1999 are provided solely for staff support for the implementation of the Washington educational network. Funds shall be transferred to the appropriate agency as required by Substitute House Bill No. 1698 or Substitute Senate Bill No. 5002 or substantially similar legislation (K-20 telecommunications).))~~

**Sec. 105.** 1997 c 149 s 149 (uncodified) is amended to read as follows:

**FOR THE MILITARY DEPARTMENT**

General Fund--State Appropriation (FY 1998)....	\$	8,151,000
General Fund--State Appropriation (FY 1999)....	\$	((11,735,000))
		<u>8,154,000</u>

General	Fund--Federal
Appropriation.....	\$.....
..... 34,314,000	
General Fund--Private/Local Appropriation.....	\$ 238,000
Flood Control Assistance Account Appropriation.	\$ 3,000,000
Enhanced 911 Account Appropriation.....	\$ 26,782,000
Disaster Response Account--State Appropriation.	\$ 23,977,000
Disaster Response Account--Federal Appropriation	\$ 95,419,000
TOTAL APPROPRIATION.....	\$ (( <del>203,616,000</del> ))
	<u>200,035,000</u>

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

(1) (~~(\$3,581,000 of the general fund state appropriation for fiscal year 1999,)~~) \$3,000,000 of the flood control assistance account appropriation((~~7~~)) and \$6,197,000 of the general fund--federal appropriation are provided solely for deposit in the disaster response account to cover costs pursuant to subsection (2) of this section.

(2) \$23,977,000 of the disaster response account--state appropriation is provided solely for the state share of response and recovery costs associated with federal emergency management agency (FEMA) disaster number 1079 (November/December 1995 storms), FEMA disaster 1100 (February 1996 floods), FEMA disaster 1152 (November 1996 ice storm), FEMA disaster 1159 (December 1996 holiday storm), FEMA disaster 1172 (March 1997 floods) and to assist local governmental entities with the matching funds necessary to earn FEMA funds for FEMA disaster 1100 (February 1996 floods).

(3) \$100,000 of the general fund--state fiscal year 1998 appropriation and \$100,000 of the general fund--state fiscal year 1999 appropriation are provided solely for the implementation of a conditional scholarship program pursuant to chapter 28B.103 RCW.

(4) \$35,000 of the general fund--state fiscal year 1998 appropriation and \$35,000 of the general fund--state fiscal year 1999 appropriation are provided solely for the north county emergency medical service.

**Sec. 106.** 1997 c 149 s 151 (uncodified) is amended to read as follows:

**FOR THE GROWTH PLANNING HEARINGS BOARD**

General Fund Appropriation (FY 1998)..... \$ ((~~1,247,000~~))

		<u>1,314,000</u>
General Fund Appropriation (FY 1999).....	\$	( <del>1,252,000</del> )
		<u>1,320,000</u>
TOTAL APPROPRIATION.....	\$	( <del>2,499,000</del> )
		<u>2,634,000</u>

(End of part)

**PART II**  
**HUMAN SERVICES**

NEW SECTION.    **Sec. 201.    FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.**    (1) Appropriations made in part II of 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 will 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 appropriations in sections 202 through 208 of this act shall be expended for the programs and in the amounts listed in those sections.

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

General Fund--State Appropriation (FY 1998).....	\$ 196,437,000
General Fund--State Appropriation (FY 1999).....	\$ 208,861,000

General		Fund--Federal
Appropriation.....	\$.....	
..... 252,269,000		
General Fund--Private/Local Appropriation.....	\$	400,000
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$	4,230,000
TOTAL APPROPRIATION.....	\$	662,197,000

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

(1) \$16,510,000 of the general fund--state appropriation for fiscal year 1998 and \$17,508,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for purposes consistent with the maintenance of effort requirements under the federal temporary assistance for needy families program established under P.L. 104-193.

(2) \$837,000 of the violence reduction and drug enforcement account appropriation and \$7,228,000 of the general fund--federal appropriation are provided solely for the operation of the family policy council, the community public health and safety networks, and delivery of services authorized under the federal family preservation and support act. Within the funds provided, the family policy council shall contract for an evaluation of the community networks with the institute for public policy and shall provide for audits of ten networks. Within the funds provided, the family policy council may build and maintain a geographic information system database tied to community network geography.

(3) \$577,000 of the general fund--state fiscal year 1998 appropriation and \$577,000 of the general fund--state fiscal year 1999 appropriation are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to twelve children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility also shall provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the

facility. The department shall not require case management as a condition of the contract.

(4) \$481,000 of the general fund--state fiscal year 1998 appropriation and \$481,000 of the general fund--state fiscal year 1999 appropriation are provided solely for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(5) \$640,000 of the general fund--state appropriation for fiscal year 1998 and \$640,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to fund Second Substitute Senate Bill No. 5710 (juvenile care and treatment), including section 2 of the bill. Amounts provided in this subsection to implement Second Substitute Senate Bill No. 5710 must be used to serve families who are screened from the child protective services risk assessment process. Services shall be provided through contracts with community-based organizations. If neither bill is enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(6) \$594,000 of the general fund--state appropriation for fiscal year 1998, \$556,000 of the general fund--state appropriation for fiscal year 1999, and \$290,000 of the general fund--federal appropriation are provided solely to fund the provisions of Engrossed Second Substitute House Bill No. 2046 (foster parent liaison). The department shall establish a foster parent liaison in each department of social and health services region of the state and contract with a private provider to implement a recruitment and retention program for foster parents and adoptive families. The department shall provide a minimum of two hundred additional adoptive and foster home placements by June 30, 1998. If the bill is not enacted by June 30, 1997, the amounts in this subsection shall lapse.

(7) \$433,000 of the fiscal year 1998 general fund--state appropriation, \$395,000 of the fiscal year 1999 general fund--state appropriation, and \$894,000 of the general fund--federal appropriation

are provided solely to increase the rate paid to private child-placing agencies.

(8) \$580,000 of the general fund--state appropriation for fiscal year 1998 and \$580,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for development and expansion of child care training requirements and optional training programs. The department shall adopt rules to require annual training in early childhood development of all directors, supervisors, and lead staff at child care facilities. Directors, supervisors, and lead staff at child care facilities include persons licensed as family child care providers, and persons employed at child care centers or school age child care centers. The department shall establish a program to fund scholarships and grants to assist persons in meeting these training requirements. The department shall also develop criteria for approving training programs and establish a system for tracking who has received the required level of training. In adopting rules, developing curricula, setting up systems, and administering scholarship programs, the department shall consult with the child care coordinating committee and other community stakeholders.

(9) The department shall provide a report to the legislature by November 1997 on the growth in additional rates paid to foster parents beyond the basic monthly rate. This report shall explain why exceptional, personal, and special rates are being paid for an increasing number of children and why the amount paid for these rates per child has risen in recent years. This report must also recommend methods by which the legislature may improve the current foster parent compensation system, allow for some method of controlling the growth in costs per case, and improve the department's and the legislature's ability to forecast the program's needs in future years.

(10) \$100,000 of the general fund--state appropriation for fiscal year 1998 and \$100,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for legal costs associated with the defense of vendors operating a secure treatment facility, for actions arising from the good faith performance of treatment services for behavioral difficulties or needs.

(11) \$2,745,000 of the fiscal year 1998 general fund--state appropriation, \$2,745,000 of the fiscal year 1999 general fund--state appropriation, and \$1,944,000 of the general fund--federal appropriation are provided solely for the category of services titled "intensive family preservation services."

(12) \$2,200,000 of the fiscal year 1998 general fund--state appropriation and \$2,200,000 of the fiscal year 1999 general fund--state appropriation are provided solely to continue existing continuum of care and street youth projects.

(13) \$1,456,000 of the general fund--state appropriation for fiscal year 1998, \$1,474,000 of the general fund--state appropriation for fiscal year 1999 and \$1,141,000 of the general fund--federal appropriation are provided solely for the improvement of quality and capacity of the child care system and related consumer education. The activities funded by this appropriation shall include, but not be limited to: Expansion of child care resource and referral network services to serve additional families, to provide technical assistance to child care providers, and to cover currently unserved areas of the state; development of and incentives for child care during nonstandard work hours; and the development of care for infants, toddlers, preschoolers, and school age youth. These amounts are provided in addition to funding for child care training and fire inspections of child care facilities. These activities shall also improve the quality and capacity of the child care system.

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

(1) COMMUNITY SERVICES		
General Fund--State Appropriation (FY 1998).....	\$	32,305,000
General Fund--State Appropriation (FY 1999).....	\$	32,348,000
General		Fund--Federal
Appropriation.....	\$.....	
.....		16,125,000
General Fund--Private/Local Appropriation.....	\$	378,000
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$	11,256,000
TOTAL APPROPRIATION.....	\$	92,412,000

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

(a) \$527,000 of the violence reduction and drug enforcement account appropriation is provided solely for deposit in the county criminal justice assistance account solely for costs to the criminal justice system associated with the implementation of Engrossed Third Substitute House Bill No. 3900 (revising the juvenile code). If

Engrossed Third Substitute House Bill No. 3900 is not enacted by June 30, 1997, the amount provided in this subsection shall lapse. The amount provided in this subsection is intended to provide funding for county adult court costs associated with the implementation of Engrossed Third Substitute House Bill No. 3900 and shall be distributed in accordance with RCW 82.14.310.

(b) \$2,917,000 of the violence reduction and drug enforcement account is provided solely for the implementation of Engrossed Third Substitute Senate Bill No. 3900 (revising the juvenile code). The amount provided in this subsection is intended to provide funding for county impacts associated with the implementation of Third Substitute Senate Bill No. 3900 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula. If the bill is not enacted by June 30, 1997, the amounts provided shall lapse.

(c) \$2,350,000 of the general fund--state fiscal year 1998 appropriation and \$2,350,000 of the general fund--state fiscal year 1999 appropriation are provided solely for an early intervention program to be administered at the county level. Moneys shall be awarded on a competitive basis to counties that have submitted plans for implementation of an early intervention program consistent with proven methodologies currently in place in the state. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(d) \$1,221,000 of the violence reduction and drug enforcement appropriation is provided solely to implement alcohol and substance abuse treatment for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that have submitted a plan for the provision of treatment services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation. If Engrossed Third Substitute House Bill No. 3900 (juvenile code revisions) is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(e) \$100,000 of the general fund--state fiscal year 1998 appropriation and \$100,000 of the general fund--state fiscal year 1999 appropriation are provided solely for the juvenile rehabilitation

administration to contract with the institute for public policy for the responsibilities assigned in Engrossed Third Substitute House Bill No. 3900 (juvenile code revisions). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(f) \$400,000 of the violence reduction and drug enforcement account appropriation is provided solely for the development of standards measuring the effectiveness of chemical dependency treatment and for conducting evaluations of chemical dependency programs pursuant to Engrossed Third Substitute House Bill No. 3900 (revising the juvenile code). If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse. The juvenile rehabilitation administration shall consult with the division of alcohol and substance abuse and contract with the University of Washington to develop the standards and conduct the evaluations.

(g) \$150,000 of the general fund--state fiscal year 1998 appropriation and \$150,000 of the general fund--state fiscal year 1999 appropriation are provided solely for a contract to expand the services of the teamchild project to additional sites. Priority use of these funds shall be to provide teamchild service to early repeat offenders to help ensure they receive appropriate child welfare and educational services.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 1998).....	\$ 44,782,000
General Fund--State Appropriation (FY 1999).....	\$ 44,662,000
General Fund--Private/Local Appropriation.....	\$ 727,000
Violence Reduction and Drug Enforcement Account	
Appropriation.....	\$ 15,281,000
TOTAL APPROPRIATION.....	\$ 105,452,000

The appropriations in this subsection are subject to the following conditions and limitations: \$3,680,000 of the violence reduction and drug enforcement account appropriation is provided solely for the implementation of Engrossed Third Substitute House Bill No. 3900 (juvenile code revisions). If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 1998).....	\$ 1,922,000
General Fund--State Appropriation (FY 1999).....	\$ 1,610,000

General Fund--Federal Appropriation.....	\$
156,000	
Violence Reduction and Drug Enforcement Account	
Appropriation.....	\$ 421,000
TOTAL APPROPRIATION.....	\$ 4,109,000

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

(a) \$92,000 of the general fund--state fiscal year 1998 appropriation and \$36,000 of the general fund--state fiscal year 1999 appropriation are provided solely for the implementation of Substitute Senate Bill No. 5759 (risk classification). If the bill is not enacted by June 30, 1997, the amounts provided shall lapse.

(b) \$206,000 of the general fund--state fiscal year 1998 appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5710 (juvenile care and treatment). If the bill is not enacted by June 30, 1997, the amount provided shall lapse.

(c) \$97,000 of the general fund--state fiscal year 1998 appropriation and \$36,000 of the general fund--state fiscal year 1999 appropriation are provided solely for the implementation of Engrossed Third Substitute House Bill No. 3900 (juvenile code revisions). If the bill is not enacted by June 30, 1997, the amounts provided shall lapse.

(d) Within the amounts provided in this subsection, the juvenile rehabilitation administration (JRA) shall develop by January 1, 1998, a staffing model for noncustody functions at JRA institutions and work camps. The models should, whenever possible, reflect the most efficient practices currently being used within the system.

\*Sec. 204. 1997 c 149 s 207 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 1998).....	\$ 543,150,000
General Fund--State Appropriation (FY 1999).....	\$ 529,985,000
General	Fund--Federal
Appropriation.....	\$.....
..... 952,618,000	
TOTAL APPROPRIATION.....	\$ 2,025,753,000

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

(1) General assistance--unemployable recipients who are assessed as needing alcohol or drug treatment shall be assigned a protective payee to prevent the diversion of cash assistance toward purchasing alcohol or other drugs.

(2) The legislature finds that, with the passage of the federal personal responsibility and work opportunity act and Engrossed House Bill No. 3901, the temporary assistance for needy families is no longer an entitlement. The legislature declares that the currently appropriated level for the program is sufficient for the next few budget cycles. To the extent, however, that currently appropriated amounts exceed costs during the 1997-99 biennium, the department is encouraged to set aside excess federal funds for use in future years.

(3) \$485,000 of the general fund--state fiscal year 1998 appropriation, \$3,186,000 of the general fund--state fiscal year 1999 appropriation, and \$3,168,000 of the general fund--federal appropriation are provided solely to continue to implement the previously competitively procured electronic benefits transfer system through the western states EBT alliance for distribution of cash grants and food stamps so as to meet the requirements of P.L. 104-193.

(4) \$50,000 of the fiscal year 1998 general fund--state appropriation is provided solely for a study of child care affordability as directed in section 403 of Engrossed House Bill No. 3901 (implementing welfare reform). The study shall be performed by the Washington institute for public policy. If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(5) \$500,000 of the fiscal year 1998 general fund--state appropriation and \$500,000 of the fiscal year 1999 general fund--state appropriation are provided solely for an evaluation of the WorkFirst program as directed in section 705 of Engrossed House Bill No. 3901 (implementing welfare reform). The study shall be performed by the joint legislative audit and review committee. If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(6) \$73,129,000 of the general fund--federal appropriation is provided solely for child care assistance for low-income families in the WorkFirst program and for low-income working families as

authorized in Engrossed House Bill No. 3901 (implementing welfare reform). All child care assistance provided shall be subject to a monthly copay to be paid by the family receiving the assistance.

(a) The monthly copay required shall be a minimum of ten dollars for families with incomes below seventy-four percent of the federal poverty level adjusted for family size. For families with incomes at or above seventy-four percent of the federal poverty level adjusted for family size, the monthly copay shall be the greater of twenty dollars or forty-seven percent of the family's income above one hundred percent of the federal poverty level adjusted for family size. Child care assistance shall not be provided to families with incomes above one hundred seventy-five percent of the federal poverty level adjusted for family size.

(b) The copay schedule defined in (a) of this subsection shall be in effect unless the department establishes a waiting list for the child care assistance program authorized in Engrossed House Bill No. 3901 (implementing welfare reform) or unless the quarterly reports required by section 321 of the bill indicate that child care expenditures will exceed appropriations made for that purpose at the end of the fiscal year.

(c) If either of the conditions in (b) of this subsection occurs, the monthly copay required shall be a minimum of ten dollars per month for families with incomes below seventy-four percent of the federal poverty level adjusted for family size. For families with incomes at or above seventy-four percent of the federal poverty level adjusted for family size, the monthly copay shall be the greater of ten dollars or thirty percent of the family's income above seventy-four percent of the federal poverty level adjusted for family size. For families with incomes at or above one hundred percent of the federal poverty level adjusted for family size, the monthly copay shall be the greater of one hundred dollars or twenty-nine percent of the family's income in excess of seventy-four percent of the federal poverty level adjusted for family size. For families with incomes at or above one hundred thirty-one percent of the federal poverty level adjusted for family size, the monthly copay shall be fifty percent of the family's income in excess of one hundred percent of the federal poverty level adjusted for family size. Child care assistance shall not be provided to families with incomes above one hundred seventy-five percent of the federal poverty level adjusted for family size.

(7) \$7,624,000 of the fiscal year 1998 general fund--state appropriation, \$18,489,000 of the fiscal year 1999 general fund--state appropriation, and \$29,781,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed House Bill No. 3901 (implementing welfare reform), including sections 404 and 405. If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse. The level of benefits in the food program for legal immigrants authorized in the bill shall be equivalent to benefits provided by the federal food stamp program.

(8) \$89,722,000 of the fiscal year 1998 general fund--state appropriation and \$75,466,000 of the fiscal year 1999 general fund--state appropriation are provided solely for cash assistance to recipients in the general assistance--unemployable program. The department shall take any and all actions necessary to maintain expenditures within these amounts.

(9) \$55,995,000 of the fiscal year 1998 general fund--state appropriation, \$55,995,000 of the fiscal year 1999 general fund--state appropriation, and \$184,510,000 of the general fund--federal appropriation are provided solely to administer a low-income child care program as authorized in Engrossed House Bill No. 3901 (implementing welfare reform). The child care program funds shall be allotted as follows:

(a) Each six-month period shall have \$27,997,500 general fund--state and \$46,127,500 general fund--federal funds allotted to be spent during that six-month period for low-income child care assistance.

(b) The department may spend up to the allotted amount for child care assistance during each six-month period. Any funds not spent during the six-month period may be held over and allotted in the next six-month period, subject to the provisions of subsection (6) of this section.

(c) Federal funds allotted for child care but not spent in fiscal year 1998 may be transferred to fiscal year 1999 for allotment but state funds must be spent in the year appropriated.

**(d) The department shall operate the low-income child care assistance program within funds appropriated by the legislature for that purpose.**

\*Sec. 204 was partially vetoed. See message at end of chapter.

Sec. 205. 1997 c 149 s 208 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 1998)....	\$	(( <del>14,714,000</del> ))	
			<u>14,466,000</u>
General Fund--State Appropriation (FY 1999)....	\$	(( <del>14,829,000</del> ))	
			<u>14,334,000</u>
General			Fund--Federal
Appropriation.....	\$		
..... 80,497,000			
General Fund--Private/Local Appropriation.....	\$		630,000
Violence Reduction and Drug Enforcement Account			
Appropriation.....	\$		72,900,000
TOTAL APPROPRIATION.....	\$	(( <del>183,570,000</del> ))	
			<u>182,827,000</u>

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

(1) \$2,062,000 of the general fund--federal appropriation and \$7,482,000 of the violence reduction and drug enforcement account appropriation are provided solely for the grant programs for school districts and educational service districts set forth in RCW 28A.170.080 through 28A.170.100, including state support activities, as administered through the office of the superintendent of public instruction.

(2) \$1,902,000 of the general fund--state fiscal year 1998 appropriation, \$1,902,000 of the general fund--state fiscal year 1999 appropriation, and \$1,592,000 of the general fund--federal appropriation are provided solely for alcohol and substance abuse assessment, treatment, including treatment for drug affected infants and toddlers, and child care services for clients of the division of children and family services. Assessment shall be provided by approved chemical dependency treatment programs as requested by child protective services personnel in the division of children and family services. Child care shall be provided as deemed necessary by the division of children and family services while parents requiring alcohol and substance abuse treatment are attending treatment programs.

(3) \$760,000 of the fiscal year 1998 general fund--state appropriation and \$760,000 of the fiscal year 1999 general fund--state appropriation are provided solely to fund a program serving mothers of

children affected by fetal alcohol syndrome and related conditions, known as the birth-to-three program. The program may be operated in two cities in the state.

~~((4) \$248,000 of the fiscal year 1998 general fund state appropriation and \$495,000 of the fiscal year 1999 general fund state appropriation are provided solely to implement Engrossed Third Substitute House Bill No. 3900 (revising the juvenile code). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.))~~

\*Sec. 206. 1997 c 149 s 211 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 1998).....	\$	24,572,000
General Fund--State Appropriation (FY 1999).....	\$	23,956,000
General		Fund--Federal
Appropriation.....	\$.....	
.....		40,352,000
General Fund--Private/Local Appropriation.....	\$	270,000
TOTAL APPROPRIATION.....	\$	89,150,000

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

(1) The department may transfer up to \$1,289,000 of the general fund--state appropriation for fiscal year 1998, \$1,757,000 of the general fund--state appropriation for fiscal year 1999, and \$2,813,000 of the general fund--federal appropriation to the administration and supporting services program from various other programs to implement administrative reductions.

(2) The secretary of social and health services and the director of labor and industries shall report to the appropriate fiscal and policy committees of the legislature by July 1, 1997, and every six months thereafter on the measurable changes in employee injury and time-loss rates that have occurred in the state developmental disabilities, juvenile rehabilitation, and mental health institutions as a result of the upfront loss-control discount agreement between the agencies.

**(3) The department shall not expend any funding for staffing or publication of the sexual minority initiative.**

(4) \$60,000 of the general fund--state appropriation for fiscal year 1998 is provided solely for a welfare fraud pilot program as described by House Bill No. 1822 (welfare fraud investigation).

(5) \$55,000 of the fiscal year 1998 general fund--state appropriation, \$64,000 of the fiscal year 1999 general fund--state appropriation, and \$231,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed House Bill No. 3901 (implementing welfare reform). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

**\*Sec. 206 was partially vetoed. See message at end of chapter.**

**\*Sec. 207.** 1997 c 149 s 212 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILD SUPPORT PROGRAM**

General Fund--State Appropriation (FY 1998).....	\$	21,122,000
General Fund--State Appropriation (FY 1999).....	\$	20,877,000
General		Fund--Federal
Appropriation.....	\$.....	
.....		145,739,000
General Fund--Private/Local Appropriation.....	\$	33,207,000
TOTAL APPROPRIATION.....	\$	220,945,000

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

(1) The department shall contract with private collection agencies to pursue collection of AFDC child support arrearages in cases that might otherwise consume a disproportionate share of the department's collection efforts. The department's child support collection staff shall determine which cases are appropriate for referral to private collection agencies. In determining appropriate contract provisions, the department shall consult with other states that have successfully contracted with private collection agencies to the extent allowed by federal support enforcement regulations.

**(2) The department shall request a waiver from federal support enforcement regulations to replace the current program audit criteria, which is process-based, with performance measures based on program outcomes.**

(3) The amounts appropriated in this section for child support legal services shall be expended only by means of contracts with local prosecutor's offices.

(4) \$305,000 of the general fund--state fiscal year 1998 appropriation, \$494,000 of the general fund--state fiscal year 1999 appropriation, and \$1,408,000 of the general fund--federal appropriation are provided solely to implement Engrossed House Bill No. 3901 (implementing welfare reform). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

**\*Sec. 207 was partially vetoed. See message at end of chapter.**

**Sec. 208.** 1997 c 149 s 213 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 1998).....	\$	47,435,000
General Fund--State Appropriation (FY 1999).....	\$	47,514,000
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		54,366,000
Health Services Account Appropriation.....	\$	1,502,000
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$	2,215,000
TOTAL APPROPRIATION.....	\$	153,032,000

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

(1) \$22,893,000 of the general fund--state appropriation for fiscal year 1998, \$22,835,000 of the general fund--state appropriation for fiscal year 1999, \$35,431,000 of the general fund--federal appropriation, \$2,215,000 of the violence reduction and drug enforcement account appropriation, and \$1,502,000 of the health services account appropriation are provided solely to increase the rates of contracted service providers. The department need not provide all vendors with the same percentage rate increase. Rather, the department is encouraged to use these funds to help assure an adequate supply of qualified vendors. Vendors providing services in markets where recruitment and retention of qualified providers is a problem may receive larger rate increases than other vendors. It is the legislature's intent that these amounts shall be used primarily to

increase compensation for persons employed in direct, front-line service delivery. Any rate increases granted as a result of this section must be implemented so that the carry-forward costs into the 1999-01 biennium do not exceed the amounts provided in this subsection. Within thirty days of granting a vendor rate increase under this section, the department shall report the following information to the fiscal committees of the legislature: (a) The amounts and effective dates of any increases granted; (b) the process and criteria used to determine the increases; and (c) any data used in that process. In accordance with RCW 43.88.110(1), the department and the office of financial management shall allot funds appropriated in this section to the programs and budget units from which the funds will be expended. Such allotments shall be completed no later than September 15, 1997.

(2) \$263,000 of the fiscal year 1998 general fund--state appropriation, \$349,000 of the fiscal year 1999 general fund--state appropriation, and \$1,186,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed House Bill No. 3901 (implementing welfare reform). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

**Sec. 209.** 1997 c 149 s 220 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF VETERANS AFFAIRS**

(1) HEADQUARTERS

General Fund Appropriation (FY 1998).....	\$ (( <del>1,339,000</del> ))	<u>1,409,000</u>
General Fund Appropriation (FY 1999).....	\$ (( <del>1,334,000</del> ))	<u>1,404,000</u>
Industrial Insurance Premium Refund Account		
Appropriation.....	\$	80,000
Charitable, Educational, Penal, and Reformatory		
Institutions Account Appropriation.....	\$	4,000
TOTAL APPROPRIATION.....	\$ (( <del>2,757,000</del> ))	<u>2,897,000</u>

(2) FIELD SERVICES

General Fund--State Appropriation (FY 1998).....	\$	2,418,000
General Fund--State Appropriation (FY 1999).....	\$	2,420,000

General Fund--Federal Appropriation.....		\$	
26,000			
General Fund--Private/Local Appropriation.....	\$		85,000
TOTAL APPROPRIATION.....	\$		4,949,000

(3) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 1998)....	\$		6,101,000
General Fund--State Appropriation (FY 1999)....	\$		5,369,000
General			Fund--Federal
Appropriation.....	\$		.....
..... 19,556,000			
General Fund--Private/Local Appropriation.....	\$		14,583,000
TOTAL APPROPRIATION.....	\$		45,609,000

**\*NEW SECTION. Sec. 210. FOR THE STATE HEALTH CARE AUTHORITY**

General Fund--State Appropriation (FY 1998)....	\$		6,316,000
General Fund--State Appropriation (FY 1999)....	\$		6,317,000
State Health Care Authority Administration			
Account Appropriation.....	\$		14,719,000
Health Services Account Appropriation.....	\$		330,628,000
TOTAL APPROPRIATION.....	\$		357,980,000

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

(1) The general fund--state appropriations are provided solely for health care services provided through local community clinics.

(2) Within funds appropriated in this section and sections 205 and 206 of chapter 149, Laws of 1997, the health care authority shall continue to provide an enhanced basic health plan subsidy option for foster parents licensed under chapter 74.15 RCW and workers in state-funded homecare programs. Under this enhanced subsidy option, foster parents and homecare workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at a cost of ten dollars per covered worker per month.

(3) Effective October 1997, the health care authority shall require organizations and individuals that are paid to deliver basic health plan services to contribute a minimum of thirty dollars per enrollee per month if the organization or individual chooses to sponsor an individual's enrollment in the subsidized basic health plan.

(4) \$150,000 of the health services account appropriation is provided solely to implement health care savings accounts. If legislation requiring a pilot project of such accounts is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

**(5) The health care authority shall report to the fiscal committees of the legislature by December 1, 1997, on the number of basic health plan enrollees who are illegal aliens but are not resident citizens, legal aliens, legal refugees, or legal asylees.**

(6) \$270,000 of the health services account appropriation is provided solely to pay commissions to agents and brokers in accordance with RCW 70.47.015(5) for application assistance provided to persons on the reservation list as of June 30, 1997, who enroll in the subsidized basic health plan on or after July 1, 1997.

**\*Sec. 210 was partially vetoed. See message at end of chapter.**

**Sec. 211.** 1997 c 149 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund Appropriation (FY 1998).....	\$	6,805,000
General Fund Appropriation (FY 1999).....	\$	6,848,000
Public Safety and Education Account--		
State Appropriation.....	\$	16,246,000
Public Safety and Education Account--		
Federal Appropriation.....	\$	6,002,000
Public Safety and Education Account--		
Private/Local Appropriation.....	\$	2,014,000
Electrical	License	Account
Appropriation.....	\$.....	.....
.....		22,542,000
Farm Labor Revolving Account Appropriation.....	\$	28,000
Worker and Community Right-to-Know Account		
Appropriation.....	\$	2,187,000
Public Works Administration Account		
Appropriation.....	\$	1,975,000
Accident Account--State Appropriation.....	\$	<del>(146,849,000)</del>
		<u>146,901,000</u>
Accident Account--Federal Appropriation.....	\$	9,112,000
Medical	Aid	Account--State
Appropriation.....	\$.....	.....
.....		<del>(155,220,000)</del>

		<u>155,276,000</u>
Medical Aid Account--Federal Appropriation.....	\$	1,592,000
Plumbing Certificate Account Appropriation.....	\$	(( <del>846,000</del> ))
		<u>947,000</u>
Pressure Systems Safety Account		
Appropriation...	\$.....	
.....		2,106,000
TOTAL APPROPRIATION.....	\$	(( <del>380,372,000</del> ))
		<u>380,581,000</u>

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

(1) Expenditures of funds appropriated in this section for the information systems projects identified in agency budget requests as "claims service delivery", "electrical permitting and inspection system", and "credentialing information system" are conditioned upon compliance with section 902 of this act.

(2) Pursuant to RCW 7.68.015, the department shall operate the crime victims compensation program within the public safety and education account funds appropriated in this section. In the event that cost containment measures are necessary, the department may (a) institute copayments for services; (b) develop preferred provider and managed care contracts; (c) coordinate with the department of social and health services to use the public safety and education account as matching funds for federal Title XIX reimbursement, to the extent this maximizes total funds available for services to crime victims.

(3) \$54,000 of the general fund appropriation for fiscal year 1998 and \$54,000 of the general fund appropriation for fiscal year 1999 are provided solely for an interagency agreement to reimburse the board of industrial insurance appeals for crime victims appeals.

(4) The secretary of social and health services and the director of labor and industries shall report to the appropriate fiscal and policy committees of the legislature by July 1, 1997, and every six months thereafter on the measurable changes in employee injury and time-loss rates that have occurred in the state developmental disabilities, juvenile rehabilitation, and mental health institutions as a result of the upfront loss-control discount agreement between the agencies.

(5) ~~(((\$43,000 of the general fund state appropriation for fiscal year 1998, \$35,000 of the general fund state appropriation for fiscal~~

~~year 1999, \$20,000 of the electrical license account appropriation, and \$58,000 of the plumbing certificate account appropriation are provided solely for the implementation of Engrossed House Bill No. 3901 (implementing welfare reform). If the bill is not enacted by June 30, 1997, the amount provided shall lapse.~~

~~(6))~~ The expenditures of the elevator, factory assembled structures, and contractors' registration and compliance programs may not exceed the revenues generated by these programs.

(6) \$101,000 of the plumbing certificate account appropriation is provided solely for the implementation of Substitute Senate Bill No. 5749 (pipe installer). If the bill is not enacted by June 30, 1997, the amount provided shall lapse.

(7) \$56,000 of the medical aid account appropriation and \$52,000 of the accident account appropriation are provided solely for evaluating agency operational improvements.

(8) \$593,000 of nonappropriated funds from the medical aid account shall be provided solely for allocation to the joint legislative audit and review committee for a performance audit and operations review of the state workers' compensation system pursuant to Substitute Senate Bill No. 6030.

**Sec. 212.** 1997 c 149 s 221 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF HEALTH**

General Fund--State Appropriation (FY 1998)....	\$	<del>((53,955,000))</del>
		<u>62,996,000</u>
General Fund--State Appropriation (FY 1999)....	\$	<del>((57,462,000))</del>
		<u>65,741,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
..... 259,139,000		
General Fund--Private/Local Appropriation.....	\$	24,351,000
Hospital Commission Account Appropriation.....	\$	3,089,000
Health	Professions	Account
Appropriation.....	\$.....	.....
..... 36,038,000		
Emergency Medical and Trauma Care Services Account		
Appropriation.....	\$	21,042,000
Safe Drinking Water Account Appropriation.....	\$	2,494,000
<u>Death Investigations Account Appropriation.....</u>	<u>\$</u>	<u>1,000,000</u>

Drinking Water Assistance Account--Federal				
Appropriation.....	\$			5,385,000
Waterworks Operator Certification Appropriation	\$			588,000
Water		Quality		Account
Appropriation.....	\$			.....
.....		3,065,000		
Violence Reduction and Drug (( <del>Education</del> ))				
<u>Enforcement</u> Account Appropriation.....	\$			469,000
State Toxics Control Account Appropriation.....	\$			2,854,000
Medical		Test	Site	Licensure
Appropriation	\$			Account
.....				.....
1,624,000				
Youth Tobacco Prevention Account Appropriation.	\$			1,812,000
Health Services Account Appropriation.....	\$			(( <del>24,224,000</del> ))
				<u>12,474,000</u>
TOTAL APPROPRIATION.....	\$			(( <del>497,591,000</del> ))
				<u>504,161,000</u>

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

(1) \$2,134,000 of the health professions account appropriation is provided solely for the development and implementation of a licensing and disciplinary management system. Expenditures are conditioned upon compliance with section 902 of this act. These funds shall not be expended without appropriate project approval by the department of information systems.

(2) Funding provided in this section for the drinking water program data management system shall not be expended without appropriate project approval by the department of information systems. Expenditures are conditioned upon compliance with section 902 of this act.

(3) The department is authorized to raise existing fees charged to the nursing professions and midwives, by the pharmacy board, and for boarding home licenses, in excess of the fiscal growth factor established by Initiative Measure No. 601, if necessary, to meet the actual costs of conducting business.

(4) \$1,633,000 of the general fund--state fiscal year 1998 appropriation and \$1,634,000 of the general fund--state fiscal year 1999 appropriation are provided solely for the implementation of the Puget Sound water work plan and agency action items, DOH-01, DOH-02,

DOH-03, DOH-04, DOH-05, DOH-06, DOH-07, DOH-08, DOH-09, DOH-10, DOH-11, and DOH-12.

(5) \$10,000,000 of the health services account appropriation is provided solely for distribution to local health departments for distribution on a per capita basis. Prior to distributing these funds, the department shall adopt rules and procedures to ensure that these funds are not used to replace current local support for public health programs.

(6) \$500,000 of the general fund--state appropriation for fiscal year 1998 and \$500,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for operation of a youth suicide prevention program at the state level, including a state-wide public educational campaign to increase knowledge of suicide risk and ability to respond and provision of twenty-four hour crisis hotlines, staffed to provide suicidal youth and caregivers a source of instant help.

(7) The department of health shall not initiate any services that will 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 that provides appropriation authority, and an equal amount of appropriated state 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.

(8) \$259,000 of the health professions account appropriation is provided solely to implement Engrossed House Bill No. 3901 (implementing welfare reform). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(9) \$150,000 of the general fund--state fiscal year 1998 appropriation and \$150,000 of the general fund--state fiscal year 1999 appropriation are provided solely for community-based oral health grants that may fund sealant programs, education, prevention, and other oral health interventions. The grants may be awarded to state

or federally funded community and migrant health centers, tribal clinics, or public health jurisdictions. Priority shall be given to communities with established oral health coalitions. Grant applications for oral health education and prevention grants shall include (a) an assessment of the community's oral health education and prevention needs; (b) identification of the population to be served; and (c) a description of the grant program's predicted outcomes.

(10) \$21,042,000 of the emergency medical and trauma care services account appropriation is provided solely for implementation of Substitute Senate Bill No. 5127 (trauma care services). If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(11) \$500,000 of the general fund--state appropriation for fiscal year 1998 and \$500,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for family support and provider training services for children with special health care needs.

(12) \$300,000 of the general fund--federal appropriation is provided solely for an abstinence education program which complies with P.L. 104-193. \$400,000 of the general fund--federal appropriation is provided solely for abstinence education projects at the office of the superintendent of public instruction and shall be transferred to the office of the superintendent of public instruction for the 1998-99 school year. The department shall apply for abstinence education funds made available by the federal personal responsibility and work opportunity act of 1996 and implement a program that complies with the requirements of that act.

(13) \$50,000 of the general fund--state appropriation for fiscal year 1998 and \$50,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the implementation of Second Substitute House Bill No. 1191 (mandated health benefit review). If the bill is not enacted by June 30, 1997, the amounts provided in this section shall lapse.

(14) \$100,000 of the general fund--state appropriation for fiscal year 1998 and \$100,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the volunteer retired provider program. Funds shall be used to increase children's access to dental care services in rural and underserved communities by paying malpractice insurance and professional licensing fees for retired dentists participating in the program.

(15) \$852,000 of the drinking water assistance account--federal appropriation is provided solely for an interagency agreement with the department of community, trade, and economic development to administer, in cooperation with the public works board, loans to local governments and public water systems for projects and activities to protect and improve the state's drinking water facilities and resources.

~~(16) ((Amounts provided in this section are sufficient to operate the AIDS prescription drug program. To operate the program within the appropriated amount, the department shall limit new enrollments, manage access to the most expensive drug regimens, establish waiting lists and priority rankings, assist clients in accessing drug assistance programs sponsored by drug manufacturers, or pursue other means of managing expenditures by the program.))~~ \$3,347,000 of the fiscal year 1998 general fund--state appropriation and \$3,347,000 of the fiscal year 1999 general fund--state appropriation are provided solely for the AIDS prescription drug program and HIV intervention program. The department shall operate the program within total appropriations. The department shall take such actions as are necessary to control expenditures, including administrative efficiencies such as reductions to provider reimbursement rates, modifications to financial eligibility, modifications to the scope of services, and client cost sharing mechanisms. The department shall identify program policy changes required to manage within the amounts provided.

(17) Funding provided in this section is sufficient to implement section 8 of Engrossed Substitute House Bill No. 2264 (eliminating the health care policy board).

~~(18) ((\$4,150,000 of the health services account))~~ \$2,075,000 of the fiscal year 1998 general fund--state appropriation and \$2,075,000 of the fiscal year 1999 general fund--state appropriation ((is)) are provided solely for the Washington poison center.

(19) \$1,000,000 of the death investigations account appropriation is provided solely for the implementation of state-wide child mortality reviews. Local health jurisdictions shall coordinate child mortality reviews for children from birth to eighteen years of age, develop local child mortality review protocols, and serve as the appointing authority and lead agency for local child death review teams. The department of health shall develop standard aggregate data elements, collect and analyze local child mortality review data,

provide technical assistance to local child mortality review teams, and approve local child death review protocols. If House Bill No. 1269 (death investigations account) is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(20) \$1,125,000 of the fiscal year 1998 general fund--state appropriation and \$1,125,000 of the fiscal year 1999 general fund--state appropriation are provided solely for deposit in the county public health account.

(21) \$60,000 of the general fund--state appropriation for fiscal year 1998 and \$60,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for attorney general services and such other activities not covered by fee revenues as are necessary for implementation of Engrossed Substitute House Bill No. 2264 (health care policy). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(22) \$250,000 of the fiscal year 1998 general fund--state appropriation \$250,000 of the fiscal year 1999 general fund--state appropriation are provided solely for operation of a naturopathic health clinic constructed in 1996.

\*Sec. 213. 1997 c 149 s 222 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**

(1) ADMINISTRATION AND PROGRAM SUPPORT	
General Fund Appropriation (FY 1998).....	\$ 13,926,000
General Fund Appropriation (FY 1999).....	\$ 13,910,000
Violence Reduction and Drug Enforcement Account	
Appropriation.....	\$ 500,000
TOTAL APPROPRIATION.....	\$ 28,336,000

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

(a) \$187,000 of the general fund fiscal year 1998 appropriation and \$155,000 of the general fund fiscal year 1999 appropriation are provided solely for implementation of Substitute Senate Bill No. 5759 (risk classification). If the bill is not enacted by July 1, 1997, the amounts provided shall lapse.

(b) \$500,000 of the violence reduction and drug enforcement account appropriation is provided solely for a feasibility study

regarding the replacement of the department's offender based tracking system.

(2) INSTITUTIONAL SERVICES

<u>General Fund--State Appropriation (FY 1998)</u> .....	\$	<u>291,745,000</u>
<u>General Fund--State Appropriation (FY 1999)</u> .....	\$	<u>304,000,000</u>
<u>General</u> .....		<u>Fund--Federal</u>
<u>Appropriation</u> .....	\$	.....
.....		<u>18,097,000</u>
<u>Industrial Insurance Premium Rebate Account</u>		
<u>Appropriation</u> .....	\$	<u>673,000</u>
<u>Violence Reduction and Drug Enforcement Account</u>		
<u>Appropriation</u> .....	\$	<u>1,614,000</u>
<u>TOTAL APPROPRIATION</u> .....	\$	<u>616,129,000</u>

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

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

(b) \$4,839,000 of the general fund--state fiscal year 1998 appropriation and \$6,481,000 of the general fund--state fiscal year 1999 appropriation are provided solely for the criminal justice costs associated with the implementation of Engrossed Third Substitute House Bill No. 3900 (revising the juvenile code). If Engrossed Third Substitute House Bill No. 3900 is not enacted by June 30, 1997, the amounts provided shall lapse.

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

(d) It is the intent of the legislature that the department reduce health care expenditures in the 1997-99 biennium using the scenario identified in the health services delivery system study which limited health care costs to \$43,000,000 in fiscal year 1998 and \$40,700,000 in fiscal year 1999. The department shall consult with direct health care service providers and health care staff in implementing this scenario.

(e) \$296,000 of the general fund--state appropriation for fiscal year 1998 and \$297,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to increase payment rates for contracted education providers. It is the legislature's intent that these amounts shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(f) The department may expend funds generated by contractual agreements entered into for mitigation of severe overcrowding in local jails. If any funds are generated in excess of actual costs, they shall be deposited in the state general fund. Expenditures shall not exceed revenue generated by such agreements and shall be treated as recovery of costs.

(3) COMMUNITY CORRECTIONS

General Fund Appropriation (FY 1998).....	\$	<del>((89,364,000))</del>
		<u>89,377,000</u>
General Fund Appropriation (FY 1999).....	\$	<del>((90,416,000))</del>
		<u>90,495,000</u>
TOTAL APPROPRIATION.....	\$	<del>((179,780,000))</del>
		<u>179,872,000</u>

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

(a) \$~~((14,000))~~ 27,000 of the general fund fiscal year 1998 appropriation and \$~~((106,000))~~ 185,000 of the general fund fiscal year 1999 appropriation are provided solely for the criminal justice costs associated with the implementation of ~~((RCW 13.04.030 as amended by))~~ Engrossed Third Substitute House Bill No. 3900 (revising the juvenile code). If ~~((RCW 13.04.030 is not amended by))~~ Engrossed Third Substitute House Bill No. 3900 is not enacted by June 30, 1997, the amounts provided shall lapse.

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

(c) \$467,000 of the general fund appropriation for fiscal year 1998 and \$505,000 of the general fund appropriation for fiscal year 1999 are provided solely to increase payment rates for contracted education providers and contracted work release facilities. It is the

legislature's intent that these amounts shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(4) CORRECTIONAL INDUSTRIES

General Fund Appropriation (FY 1998).....	\$	4,055,000
General Fund Appropriation (FY 1999).....	\$	4,167,000
TOTAL APPROPRIATION.....	\$	8,222,000

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

(a) \$100,000 of the general fund fiscal year 1998 appropriation and \$100,000 of the general fund fiscal year 1999 appropriation are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(b) \$50,000 of the general fund appropriation for fiscal year 1998 and \$50,000 of the general fund appropriation for fiscal year 1999 are provided solely for the correctional industries board of directors to hire one staff person, responsible directly to the board, to assist the board in fulfilling its duties.

(5) INTERAGENCY PAYMENTS

General Fund Appropriation (FY 1998).....	\$	6,945,000
General Fund Appropriation (FY 1999).....	\$	6,444,000
TOTAL APPROPRIATION.....	\$	13,389,000

**\*Sec. 213 was partially vetoed. See message at end of chapter.**

**Sec. 214.** 1997 c 149 s 225 (uncodified) is amended to read as follows:

**FOR THE EMPLOYMENT SECURITY DEPARTMENT**

<u>General Fund--State Appropriation (FY 1998)....</u>	<u>\$</u>	<u>1,260,000</u>
<u>General Fund--State Appropriation (FY 1999)....</u>	<u>\$</u>	<u>1,261,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
..... 173,595,000		
General Fund--Private/Local Appropriation.....	\$	24,842,000
Unemployment Compensation Administration Account--		

Federal Appropriation.....	\$	181,985,000
Administrative Contingency Account		
Appropriation.....	\$	12,579,000
Employment Service Administrative Account		
Appropriation.....	\$	13,176,000
Employment & Training Trust Account		
Appropriation.....	\$	600,000
TOTAL APPROPRIATION.....	\$	((406,777,000))
		<u>409,298,000</u>

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

(1) Expenditures of funds appropriated in this section for the information systems projects identified in agency budget requests as "claims and adjudication call centers", "data/wage quality initiative", and "one stop information connectivity" are conditioned upon compliance with section 902 of this act.

(2) \$600,000 of the employment and training trust account appropriation is provided solely for the account's share of unemployment insurance tax collection costs.

(3) \$1,126,000 of the general fund--federal appropriation is provided solely for the continuation of job placement centers colocated on community and technical college campuses.

(4) The employment security department shall spend no more than \$25,049,511 of the unemployment compensation administration account--federal appropriation for the general unemployment insurance development effort (GUIDE) project, except that the department may exceed this amount by up to \$2,600,000 to offset the cost associated with any vendor-caused delay. The additional spending authority is contingent upon the department fully recovering these moneys from any project vendors failing to perform in full. Authority to spend the amount provided by this subsection is conditioned on compliance with section 902 of this act.

(5) ~~(( \$114,000 of the administrative contingency account appropriation is provided solely for the King county reemployment support center.))~~ \$60,000 of the general fund--state fiscal year 1998 appropriation and \$61,000 of the general fund--state fiscal year 1999 appropriation are provided solely for the King county reemployment support center.

(6) \$1,200,000 of the general fund--state fiscal year 1998 appropriation and \$1,200,000 of the general fund--state fiscal year 1999 appropriation are provided solely for labor market information and employer outreach activities.

(End of part)

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

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

General Fund--State Appropriation (FY 1998).....	\$        213,000
General Fund--State Appropriation (FY 1999).....	\$        222,000
General Fund--Private/Local Appropriation.....	\$        435,000
TOTAL APPROPRIATION.....	\$        870,000

The appropriations in this section are subject to the following condition and limitation: \$120,000 of the general fund--state appropriation for fiscal year 1998, \$120,000 of the general fund--state appropriation for fiscal year 1999, and \$240,000 of the general fund--local appropriation are provided solely for each Columbia river gorge county to receive an \$80,000 grant for the purposes of implementing the scenic area management plan. If a Columbia river gorge county has not adopted an ordinance to implement the scenic area management plan in accordance with the national scenic area act (P.L. 99-663), then the grant funds for that county may be used by the commission to implement the plan for that county.

\***Sec. 302.** 1997 c 149 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 1998)....	\$    ( <del>27,749,000</del> )
	<u>27,748,000</u>
General Fund--State Appropriation (FY 1999)....	\$    ( <del>27,794,000</del> )
	<u>27,795,000</u>
General	Fund--Federal
Appropriation.....	\$.....
..... 45,315,000	
General Fund--Private/Local Appropriation.....	\$        643,000
Special Grass Seed Burning Research Account	
Appropriation.....	\$        42,000
Reclamation Revolving Account Appropriation.....	\$    2,441,000
Flood Control Assistance Account Appropriation.....	\$    4,850,000
State Emergency Water Projects Revolving Account	
Appropriation.....	\$        319,000

Waste Reduction/Recycling/Litter Control			
Appropriation.....	\$	10,316,000	
State and Local Improvements Revolving Account			
(Waste Facilities) Appropriation.....	\$	601,000	
State and Local Improvements Revolving Account			
(Water Supply Facilities) Appropriation.....	\$	1,366,000	
Basic Data Account Appropriation.....	\$	182,000	
Vehicle Tire Recycling Account Appropriation.....	\$	1,194,000	
Water		Quality	Account
Appropriation.....	\$		
.....		2,892,000	
Wood Stove Education and Enforcement Account			
Appropriation.....	\$	1,055,000	
Worker and Community Right-to-Know Account			
Appropriation.....	\$	469,000	
State Toxics Control Account Appropriation.....	\$	<del>(53,160,000)</del>	
		<u>53,715,000</u>	
Local Toxics Control Account Appropriation.....	\$	4,342,000	
Water Quality Permit Account Appropriation.....	\$	20,378,000	
Underground Storage Tank Account Appropriation.....	\$	2,443,000	
Solid Waste Management Account Appropriation.....	\$	1,021,000	
Hazardous Waste Assistance Account Appropriation....	\$	3,615,000	
Air Pollution Control Account Appropriation.....	\$	16,224,000	
Oil Spill Administration Account Appropriation.....	\$	6,958,000	
Air Operating Permit Account Appropriation.....	\$	4,033,000	
Freshwater Aquatic Weeds Account Appropriation.....	\$	1,829,000	
Oil		Spill	Response
Appropriation.....	\$		Account
.....		7,078,000	
Metals Mining Account Appropriation.....			\$
42,000			
Water Pollution Control Revolving Account--State			
Appropriation.....	\$	349,000	
Water Pollution Control Revolving Account--Federal			
Appropriation.....	\$	1,726,000	
Biosolids Permit Account Appropriation.....	\$	567,000	
Environmental Excellence Account Appropriation.....	\$	247,000	
TOTAL APPROPRIATION.....	\$	<del>(251,240,000)</del>	
		<u>251,795,000</u>	

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

(1) \$3,211,000 of the general fund--state appropriation for fiscal year 1998, \$3,211,000 of the general fund--state appropriation for fiscal year 1999, \$394,000 of the general fund--federal appropriation, \$2,017,000 of the oil spill administration account, \$819,000 of the state toxics control account appropriation, and \$3,591,000 of the water quality permit fee account are provided solely for the implementation of the Puget Sound work plan and agency action items DOE-01, DOE-02, DOE-03, DOE-04, DOE-05, DOE-06, DOE-07, DOE-08, and DOE-09.

(2) \$2,000,000 of the state toxics control account appropriation is provided solely for the following purposes:

(a) To conduct remedial actions for sites for which there are no potentially liable persons, for which potentially liable persons cannot be found, or for which potentially liable persons are unable to pay for remedial actions; and

(b) To provide funding to assist potentially liable persons under RCW 70.105D.070(2)(d)(xi) to pay for the cost of the remedial actions; and

(c) To conduct remedial actions for sites for which potentially liable persons have refused to conduct remedial actions required by the department; and

(d) To contract for services as necessary to support remedial actions.

(3) \$1,500,000 of the general fund--state appropriation for fiscal year 1998 and \$1,900,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the processing of water right permit applications, continued implementation of water resources data management systems, and providing technical and data support to local watershed planning efforts in accordance with sections 101 through 116 of Second Substitute House Bill No. 2054 (water resource management). If any of sections 101 through 116 and 701 through 716 of Second Substitute House Bill No. 2054 is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(4) \$2,500,000 of the general fund--state appropriation for fiscal year 1998 and \$2,500,000 of the general fund--state appropriation for fiscal year 1999 are appropriated for grants to local WRIA planning units established in accordance with sections 101 through 116 of Second Substitute House Bill No. 2054 (water resource management). If

any of sections 101 through 116 and 701 through 716 of Second Substitute House Bill No. 2054 is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(5) \$200,000 of the general fund--state appropriation for fiscal year 1998 is provided solely for the implementation of Engrossed Substitute House Bill No. 1111 (water rights). If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(6) \$200,000 of the general fund--state appropriation for fiscal year 1998 is provided solely for the implementation of Engrossed Substitute House Bill No. 1118 (reopening a water rights claim filing period). If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(7) \$3,600,000 of the general fund--state appropriation for fiscal year 1998 and \$3,600,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the auto emissions inspection and maintenance program. Expenditures of the amounts provided in this subsection are contingent upon a like amount being deposited in the general fund from the auto emission inspection fees in accordance with RCW 70.120.170(4).

(8) \$170,000 of the oil spill administration account appropriation is provided solely for implementation of the Puget Sound work plan action item UW-02 through a contract with the University of Washington's Sea Grant program in order to develop an educational program that targets small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(9) The merger of the office of marine safety into the department of ecology shall be accomplished in a manner that will maintain a priority focus on oil spill prevention, as well as maintain a strong oil spill response capability. The merged program shall be established to provide a high level of visibility and ensure that there shall not be a diminution of the existing level of effort from the merged programs.

(10) The entire environmental excellence account appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1866 (environmental excellence). If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse. In implementing the bill, the department shall organize the needed expertise to process environmental excellence applications after an application has been received.

(11) \$200,000 of the freshwater aquatic weeds account appropriation is provided solely to address saltcedar weed problems.

~~(12) ((\$4,498,000 of the waste reduction/recycling/litter control account appropriation is provided for fiscal year 1998 to be expended in accordance with Second Substitute Senate Bill No. 5842 (litter control and recycling).))~~ \$4,498,000 of the waste reduction, recycling, and litter control account appropriation is provided for fiscal year 1998 and \$5,818,000 is provided for fiscal year 1999 to be expended in the following ratios: Fifty percent for a litter patrol program to employ youth and correctional work crews to remove litter from places that are most visible to the public; twenty percent for grants to local governments for litter cleanup under RCW 70.93.250; and thirty percent for public education and awareness programs and programs to foster local waste reduction and recycling efforts. From the amounts provided ~~((for fiscal year 1998))~~ in this subsection, the department shall provide \$352,000 through an interagency agreement to the department of corrections to hire correctional crews to remove litter in areas that are not accessible to youth crews. ~~(\$5,818,000 of the waste reduction/recycling/litter control account appropriation is provided for fiscal year 1999. The amount provided for fiscal year 1999 is to remain in unallotted status until the recommendations of the task force established in Second Substitute Senate Bill No. 5842 are acted upon by the legislature during the 1998 legislative session. If Substitute Senate Bill No. 5842 is not enacted by June 30, 1997, the amount provided for fiscal year 1999 shall lapse.)~~

(13) The entire biosolids permit account appropriation is provided solely for implementation of Engrossed Senate Bill No. 5590 (biosolids management). If the bill is not enacted by June 30, 1997, the entire appropriation is null and void.

(14) \$29,000 of the general fund--state appropriation for fiscal year 1998 and \$99,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the implementation of Substitute House Bill No. 1985 (landscape management plans). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(15) \$60,000 of the freshwater aquatic weeds account appropriation is provided solely for a grant to the department of fish and wildlife to control and eradicate purple loosestrife using the most cost-effective methods available, including chemical control where appropriate.

(16) \$250,000 of the flood control assistance account appropriation is provided solely as a reappropriation to complete the Skokomish valley flood reduction plan. The amount provided in this subsection shall be reduced by the amount expended from this account for the Skokomish valley flood reduction plan during the biennium ending June 30, 1997.

(17) The number of special purpose vehicles in the department's fleet on July 1, 1997, shall be reduced by fifty percent as of June 30, 1999. Special purpose vehicles may be replaced by fuel efficient economy vehicles or not replaced at all depending on the vehicle requirements of the agency. An exception to this reduction in the number of special purpose vehicles is provided for those special purpose vehicles used by the department's youth corps program. Special purpose vehicle is defined as a four-wheel drive off-road motor vehicle.

(18) \$600,000 of the flood control assistance account appropriation is provided solely to complete flood control projects that were awarded funds during the 1995-97 biennium. These funds shall be spent only to complete projects that could not be completed during the 1995-97 biennium due to delays caused by weather or delays in the permitting process.

(19) \$113,000 of the general fund--state appropriation for fiscal year 1998 and \$112,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for implementation of Substitute Senate Bill No. 5505 (assistance to water applicants). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(20) \$70,000 of the general fund--state appropriation for fiscal year 1998 and \$70,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for implementation of Substitute Senate Bill No. 5785 (consolidation of groundwater rights). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(21) \$20,000 of the general fund--state appropriation for fiscal year 1998 and \$20,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for implementation of Substitute Senate Bill No. 5276 (water right applications). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(22) \$35,000 of the general fund--state appropriation for fiscal year 1998 and \$35,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for implementation of Substitute Senate Bill No. 5030 (lakewater irrigation). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(23) \$500,000 of the general fund--state appropriation for fiscal year 1998 and \$500,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the continuation of the southwest Washington coastal erosion study.

**\*Sec. 302 was partially vetoed. See message at end of chapter.**

**Sec. 303.** 1997 c 149 s 303 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

General Fund--State Appropriation (FY 1998)....	\$	(( <del>21,026,000</del> ))	
			<u>20,526,000</u>
General Fund--State Appropriation (FY 1999)....	\$	(( <del>20,835,000</del> ))	
			<u>20,335,000</u>
General			Fund--Federal
Appropriation.....	\$		
.....		2,428,000	
General Fund--Private/Local Appropriation.....	\$		59,000
Winter Recreation Program Account Appropriation.....	\$		759,000
Off Road Vehicle Account Appropriation.....	\$		251,000
Snowmobile Account Appropriation.....	\$		2,290,000
Aquatic Lands Enhancement Account Appropriation.....	\$		321,000
Public Safety and Education Account Appropriation....			\$
48,000			
Industrial Insurance Premium Refund.....			
Appropriation	\$		10,000
Waste Reduction/Recycling/Litter Control			
Appropriation.....	\$		34,000
Water Trail Program Account Appropriation.....	\$		14,000
Parks Renewal and Stewardship Account Appropriation.	\$		25,344,000
TOTAL APPROPRIATION.....	\$	(( <del>73,419,000</del> ))	
			<u>72,419,000</u>

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

(1) \$189,000 of the aquatic lands enhancement account appropriation is provided solely for the implementation of the Puget Sound work plan agency action items P&RC-01 and P&RC-03.

(2) \$264,000 of the general fund--federal appropriation is provided for boater programs state-wide and for implementation of the Puget Sound work plan.

(3) \$45,000 of the general fund--state appropriation for fiscal year 1998 is provided solely for a feasibility study of a public/private effort to establish a reserve for recreation and environmental studies in southwest Kitsap county.

(4) Within the funds provided in this section, the state parks and recreation commission shall provide to the legislature a status report on implementation of the recommendations contained in the 1994 study on the restructuring of Washington state parks. This status report shall include an evaluation of the campsite reservation system including the identification of any incremental changes in revenues associated with implementation of the system and a progress report on other enterprise activities being undertaken by the commission. The report may also include recommendations on other revenue generating options. In preparing the report, the commission is encouraged to work with interested parties to develop a long-term strategy to support the park system. The commission shall provide this report by December 1, 1997.

(5) \$85,000 of the general fund--state appropriation for fiscal year 1998 and \$165,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for development of underwater park programs and facilities. The department shall work with the underwater parks program task force to develop specific plans for the use of these funds.

**\*NEW SECTION. Sec. 304. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund--State Appropriation (FY 1998).....	\$	36,049,000
General Fund--State Appropriation (FY 1999).....	\$	36,571,000
General Fund--Federal Appropriation.....		
.....	\$.....	73,015,000
General Fund--Private/Local Appropriation.....	\$	26,758,000
Off Road Vehicle Account Appropriation.....	\$	488,000
Aquatic Lands Enhancement Account Appropriation.....	\$	5,593,000
Public Safety and Education Account.....		
Appropriation \$		590,000

Industrial Insurance Premium Refund.....			
Appropriation \$			120,000
Recreational Fisheries Enhancement Appropriation....	\$		2,387,000
Warm Water Game Fish Account Appropriation.....	\$		2,419,000
Wildlife Account			
Appropriation.....	\$		
..... 52,372,000			
Game Special Wildlife Account--State			
Appropriation...	\$		
..... 1,911,000			
Game Special Wildlife Account--Federal Appropriation	\$		10,844,000
Game Special Wildlife Account--Private/Local			
Appropriation.....	\$		350,000
Oil Spill Administration Account Appropriation.....	\$		843,000
Environmental Excellence Account Appropriation.....	\$		20,000
Eastern Washington Pheasant Enhancement Account			
Appropriation.....	\$		547,000
TOTAL APPROPRIATION.....	\$		250,877,000

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

(1) \$1,181,000 of the general fund--state appropriation for fiscal year 1998 and \$1,181,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the implementation of the Puget Sound work plan agency action items DFW-01, DFW-03, DFW-04, and DFW-8 through DFW-15.

(2) \$188,000 of the general fund--state appropriation for fiscal year 1998 and \$155,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for a maintenance and inspection program for department-owned dams. The department shall submit a report to the governor and the appropriate legislative committees by October 1, 1998, on the status of department-owned dams. This report shall provide a recommendation, including a cost estimate, on whether each facility should continue to be maintained or should be decommissioned.

(3) \$832,000 of the general fund--state appropriation for fiscal year 1998 and \$825,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to implement salmon recovery activities and other actions required to respond to federal listings of salmon species under the endangered species act.

(4) \$350,000 of the wildlife account appropriation, \$72,000 of the general fund--state appropriation for fiscal year 1998, and \$73,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for control and eradication of class B designate weeds on department owned and managed lands. The amounts from the general fund--state appropriations are provided solely for control of spartina.

(5) \$140,000 of the wildlife account appropriation is provided solely for a cooperative effort with the department of agriculture for research and eradication of purple loosestrife on state lands.

(6) In controlling weeds on state-owned lands, the department shall use the most cost-effective methods available, including chemical control where appropriate, and the department shall report to the appropriate committees of the legislature by January 1, 1998, on control methods, costs, and acres treated during the previous year.

(7) A maximum of \$1,000,000 is provided from the wildlife fund for fiscal year 1998. The amount provided in this subsection is for the emergency feeding of deer and elk that may be starving and that are posing a risk to private property due to severe winter conditions during the winter of 1997-98. The amount expended under this subsection must not exceed the amount raised pursuant to section 3 of Substitute House Bill No. 1478. Of the amount expended under this subsection, not more than fifty percent may be from fee revenue generated pursuant to section 3 of Substitute House Bill No. 1478. If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(8) \$193,000 of the general fund--state appropriation for fiscal year 1998, \$194,000 of the general fund--state appropriation for fiscal year 1999, and \$300,000 of the wildlife account appropriation are provided solely for the design and development of an automated license system.

(9) The department is directed to offer for sale its Cessna 421 aircraft by June 30, 1998. Proceeds from the sale shall be deposited in the wildlife account.

(10) \$500,000 of the general fund--state appropriation for fiscal year 1998 and \$500,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to continue the department's habitat partnerships program during the 1997-99 biennium.

(11) \$350,000 of the general fund--state appropriation for fiscal year 1998 and \$350,000 of the general fund--state appropriation for

fiscal year 1999 are provided solely for purchase of monitoring equipment necessary to fully implement mass marking of coho salmon.

(12) \$238,000 of the general fund--state appropriation for fiscal year 1998 and \$219,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the implementation of Substitute House Bill No. 1985 (landscape management plans). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(13) \$150,000 of the general fund--state appropriation for fiscal year 1998 and \$150,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for a contract with the United States department of agriculture to carry out animal damage control projects throughout the state related to cougars, bears, and coyotes.

(14) \$97,000 of the general fund--state appropriation for fiscal year 1998 and \$98,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to implement animal damage control programs for Canada geese in the lower Columbia river basin.

(15) \$170,000 of the general fund--state appropriation for fiscal year 1998, \$170,000 of the general fund--state appropriation for fiscal year 1999, and \$360,000 of the wildlife account appropriation are provided solely to hire additional enforcement officers to address problem wildlife throughout the state.

**(16) \$197,000 of the general fund--state appropriation for fiscal year 1998 and \$196,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to implement Substitute Senate Bill No. 5120 (remote site incubators). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.**

(17) \$133,000 of the general fund--state appropriation for fiscal year 1998 and \$133,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to implement Substitute Senate Bill No. 5442 (flood control permitting). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(18) \$100,000 of the aquatic lands enhancement account appropriation is provided solely for grants to the regional fisheries enhancement groups.

(19) \$547,000 of the eastern Washington pheasant enhancement account appropriation is provided solely for implementation of Substitute Senate Bill No. 5104 (pheasant enhancement program). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(20) \$150,000 of the general fund--state appropriation for fiscal year 1998 and \$150,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to hire Washington conservation corps crews to maintain department-owned and managed lands.

(21) The entire environmental excellence account appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1866 (environmental excellence). If the bill is not enacted by June 30, 1997, the entire appropriation is null and void.

(22) \$156,000 of the recreational fisheries enhancement appropriation is provided solely for Substitute Senate Bill No. 5102 (fishing license surcharge). If the bill is not enacted by June 30, 1997, the amount provided in this subsection shall lapse.

(23) \$25,000 of the general fund--state appropriation for fiscal year 1998 and \$25,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for staffing and operation of the Tennant Lake interpretive center.

**\*Sec. 304 was partially vetoed. See message at end of chapter.**

**Sec. 305.** 1997 c 149 s 308 (uncodified) is each amended to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund--State Appropriation (FY 1998)....	\$	(( <del>25,117,000</del> ))	
			<u>23,767,000</u>
General Fund--State Appropriation (FY 1999)....	\$	(( <del>25,518,000</del> ))	
			<u>24,168,000</u>
General			Fund--Federal
Appropriation.....	\$		
..... 1,156,000			
General Fund--Private/Local Appropriation.....	\$	422,000	
Forest Development Account Appropriation...			
.....	\$		
49,923,000			
Off Road Vehicle Account Appropriation.....	\$	3,628,000	
Surveys and Maps Account Appropriation.....	\$	2,088,000	
Aquatic Lands Enhancement Account Appropriation....	\$	4,869,000	
Resources Management Cost Account Appropriation....	\$	89,613,000	
Waste Reduction/Recycling/Litter Control			
Appropriation.....	\$	450,000	
Surface Mining Reclamation Account Appropriation....	\$	1,420,000	
Aquatic Land Dredged Material Disposal Site Account			

Appropriation.....	\$	751,000
Natural Resources Conservation Areas Stewardship		
Account Appropriation.....	\$	77,000
Air Pollution Control Account Appropriation.....	\$	890,000
Metals Mining Account Appropriation.....		\$
62,000		
TOTAL APPROPRIATION.....	\$	<del>((205,984,000))</del>
		<u>203,284,000</u>

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

(1) \$7,017,000 of the general fund--state appropriation for fiscal year 1998 and \$6,900,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for emergency fire suppression.

(2) \$18,000 of the general fund--state appropriation for fiscal year 1998, \$18,000 of the general fund--state appropriation for fiscal year 1999, and \$957,000 of the aquatic lands enhancement account appropriation are provided solely for the implementation of the Puget Sound work plan agency action items DNR-01, DNR-02, and DNR-04.

(3) \$450,000 of the resource management cost account appropriation is provided solely for the control and eradication of class B designate weeds on state lands. The department shall use the most cost-effective methods available, including chemical control where appropriate, and report to the appropriate committees of the legislature by January 1, 1998, on control methods, costs, and acres treated during the previous year.

(4) \$~~((2,682,000))~~ 1,332,000 of the general fund--state appropriation for fiscal year 1998 and \$~~((3,063,000))~~ 1,713,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for fire protection activities.

(5) \$541,000 of the general fund--state appropriation for fiscal year 1998 and \$549,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the stewardship of natural area preserves, natural resource conservation areas, and the operation of the natural heritage program.

(6) \$2,300,000 of the aquatic lands enhancement account appropriation is provided for the department's portion of the Eagle Harbor settlement.

(7) \$195,000 of the general fund--state appropriation for fiscal year 1998 and \$220,000 of the general fund--state appropriation for

fiscal year 1999 are provided solely for the implementation of Substitute House Bill No. 1985 (landscape management plans). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(8) \$600,000 of the general fund--state appropriation for fiscal year 1998 and \$600,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the cooperative monitoring, evaluation, and research projects related to implementation of the timber-fish-wildlife agreement.

(9) \$6,568,000 of the forest development account appropriation is provided solely for silviculture activities on forest board lands. To the extent that forest board counties apply for reconveyance of lands pursuant to Substitute Senate Bill No. 5325 (county land transfers), the amount provided in this subsection shall be reduced by an amount equal to the estimated silvicultural expenditures planned in each county that applies for reconveyance.

(End of part)

**PART V  
EDUCATION**

**\*NEW SECTION. Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC  
INSTRUCTION--FOR STATE ADMINISTRATION**

General Fund--State Appropriation (FY 1998).....	\$	20,758,000
General Fund--State Appropriation (FY 1999).....	\$	40,775,000
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		49,439,000
Public Safety and Education Account		
Appropriation.....	\$	2,598,000
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$	3,672,000
Education Savings Account Appropriation.....	\$	39,312,000
TOTAL APPROPRIATION.....	\$	156,554,000

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

(1) AGENCY OPERATIONS

(a) \$394,000 of the general fund--state appropriation for fiscal year 1998 and \$394,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(b)(i) \$250,000 of the general fund--state appropriation for fiscal year 1998 and \$250,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for enhancing computer systems and support in the office of superintendent of public instruction. These amounts shall be used to: Make a database of school information available electronically to schools, state government, and the general public; reduce agency and school district administrative costs through more effective use of technology; and replace paper reporting and publication to the extent feasible with electronic media. The superintendent, in cooperation with the commission on student learning, shall develop a state student record system including elements reflecting student achievement. The system

shall be made available to the office of financial management and the legislature with suitable safeguards of student confidentiality. The superintendent shall report to the office of financial management and the legislative fiscal committees by December 1 of each year of the biennium on the progress and plans for the expenditure of these amounts.

(ii) The superintendent, in cooperation with the commission on student learning, shall develop a feasibility plan for a state student record system, including elements reflecting student academic achievement on goals 1 and 2 under RCW 28A.150.210. The feasibility plan shall be made available to the office of financial management and the fiscal and education committees of the legislature for approval before a student records database is established, and shall identify data elements to be collected and suitable safeguards of student confidentiality and proper use of database records, with particular attention to eliminating unnecessary and intrusive data about nonacademic related information.

(c) \$348,000 of the public safety and education account appropriation is provided solely for administration of the traffic safety education program, including in-service training related to instruction in the risks of driving while under the influence of alcohol and other drugs.

(d) \$50,000 of the general fund--state appropriation for fiscal year 1998 and \$50,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to implement Substitute Senate Bill No. 5394 (school audit resolutions).

**(e) The superintendent of public instruction shall not accept, allocate, or expend any federal funds to implement the federal goals 2000 program.**

(2) STATE-WIDE PROGRAMS

(a) \$2,174,000 of the general fund--state appropriation is provided for in-service training and educational programs conducted by the Pacific Science Center.

(b) \$63,000 of the general fund--state appropriation is provided for operation of the Cispus environmental learning center.

(c) \$2,754,000 of the general fund--state appropriation is provided for educational centers, including state support activities. \$100,000 of this amount is provided to help stabilize funding through distribution among existing education centers that are

currently funded by the state at an amount less than \$100,000 a biennium.

(d) \$100,000 of the general fund--state appropriation is provided for an organization in southwest Washington that received funding from the Spokane educational center in the 1995-97 biennium and provides educational services to students who have dropped out.

(e) \$2,500,000 of the general fund--state fiscal year 1998 appropriation and \$2,500,000 of the general fund--state fiscal year 1999 appropriation are provided solely for implementation of reading initiatives to improve reading in early grades as enacted by the 1997 legislature. Of this amount:

**(i) \$700,000 is provided solely to implement Second Substitute Senate Bill No. 5508 to fund the standardized norm-referenced third grade reading test; and**

(ii) \$4,300,000 is provided solely to implement Engrossed Substitute House Bill No. 2042. Funds shall be used solely for the selection of the second grade reading tests in accordance with section 2 of the bill, and grants to school districts in accordance with sections 4 and 7 of the bill.

(f) \$3,672,000 of the violence reduction and drug enforcement account appropriation and \$2,250,000 of the public safety education account appropriation are provided solely for matching grants to enhance security in schools. Not more than seventy-five percent of a district's total expenditures for school security in any school year may be paid from a grant under this subsection. The grants shall be expended solely for the costs of employing or contracting for building security monitors in schools during school hours and school events. Of the amount provided in this subsection, at least \$2,850,000 shall be spent for grants to districts that, during the 1988-89 school year, employed or contracted for security monitors in schools during school hours. However, these grants may be used only for increases in school district expenditures for school security over expenditure levels for the 1988-89 school year.

(g) \$200,000 of the general fund--state appropriation for fiscal year 1998, \$200,000 of the general fund--state appropriation for fiscal year 1999, and \$400,000 of the general fund--federal appropriation transferred from the department of health are provided solely for a program that provides grants to school districts for media campaigns promoting sexual abstinence and addressing the importance of delaying sexual activity, pregnancy, and childbearing

until individuals are ready to nurture and support their children. Grants to the school districts shall be for projects that are substantially designed and produced by students. The grants shall require a local private sector match equal to one-half of the state grant, which may include in-kind contribution of technical or other assistance from consultants or firms involved in public relations, advertising broadcasting, and graphics or video production or other related fields.

(h) \$1,500,000 of the general fund--state appropriation for fiscal year 1998 and \$1,500,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for school district petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. Allocation of this money to school districts shall be based on the number of petitions filed.

(i) \$300,000 of the general fund--state appropriation is provided for alcohol and drug prevention programs pursuant to RCW 66.08.180.

(j)(i) \$19,656,000 of the education savings account appropriation for fiscal year 1998 and \$19,656,000 of the education savings account appropriation for fiscal year 1999 are provided solely for matching grants and related state activities to provide school district consortia with programs utilizing technology to improve learning. A maximum of \$100,000 each fiscal year of this amount is provided for administrative support and oversight of the K-20 network by the superintendent of public instruction. The superintendent of public instruction shall convene a technology grants committee representing private sector technology, school districts, and educational service districts to recommend to the superintendent grant proposals that have the best plans for improving student learning through innovative curriculum using technology as a learning tool and evaluating the effectiveness of the curriculum innovations. After considering the technology grants committee recommendations, the superintendent shall make matching grant awards, including granting at least fifteen percent of funds on the basis of criteria in (ii)(A) through (C) of this subsection (2)(j).

(ii) Priority for award of funds will be to (A) school districts most in need of assistance due to financial limits, (B) school districts least prepared to take advantage of technology as a means of improving student learning, and (C) school districts in economically distressed areas. The superintendent of public instruction, in consultation with the technology grants committee, shall propose

options to the committee for identifying and prioritizing districts according to criteria in (i) and (ii) of this subsection (2)(j).

(iii) Options for review criteria to be considered by the superintendent of public instruction include, but are not limited to, free and reduced lunches, levy revenues, ending fund balances, equipment inventories, and surveys of technology preparedness. An "economically distressed area" is (A) a county with an unemployment rate that is at least twenty percent above the state-wide average for the previous three years; (B) a county that has experienced sudden and severe or long-term and severe loss of employment, or erosion of its economic base resulting in decline of its dominant industries; or (C) a district within a county which (I) has at least seventy percent of its families and unrelated individuals with incomes below eighty percent of the county's median income for families and unrelated individuals; and (II) has an unemployment rate which is at least forty percent higher than the county's unemployment rate.

(k) \$50,000 of the general fund--state appropriations is provided as matching funds for district contributions to provide analysis of the efficiency of school district business practices. The superintendent of public instruction shall establish criteria, make awards, and provide a report to the fiscal committees of the legislature by December 15, 1997, on the progress and details of analysis funded under this subsection (2)(k).

(l) \$19,977,000 of the general fund--state appropriation for fiscal year 1999 is provided solely for the purchase of classroom instructional materials and supplies. The superintendent shall allocate the funds at a maximum rate of \$20.82 per full-time equivalent student, beginning September 1, 1998, and ending June 30, 1999. The expenditure of the funds shall be determined at each school site by the school building staff, parents, and the community. School districts shall distribute all funds received to school buildings without deduction.

(m) \$15,000 of the general fund--state appropriation is provided solely to assist local districts vocational education programs in applying for low frequency FM radio licenses with the federal communications commission.

(n) \$35,000 of the general fund--state appropriation is provided solely to the state board of education to design a program to encourage high school students and other adults to pursue careers as vocational education teachers in the subject matter of agriculture.

(o) \$25,000 of the general fund--state appropriation for fiscal year 1998 and \$25,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for allocation to the primary coordinators of the state geographic alliance to improve the teaching of geography in schools.

(p) \$1,000,000 of the general fund--state appropriation is provided for state administrative costs and start-up grants for alternative programs and services that improve instruction and learning for at-risk and expelled students consistent with the objectives of Engrossed House Bill No. 1581 (disruptive students/offenders). Each grant application shall contain proposed performance indicators and an evaluation plan to measure the success of the program and its impact on improved student learning. Applications shall contain the applicant's plan for maintaining the program and/or services after the grant period, shall address the needs of students who cannot be accommodated within the framework of existing school programs or services and shall address how the applicant will serve any student within the proposed program's target age range regardless of the reason for truancy, suspension, expulsion, or other disciplinary action. Up to \$50,000 per year may be used by the superintendent of public instruction for grant administration. The superintendent shall submit an evaluation of the alternative program start-up grants provided under this section, and section 501(2)(q), chapter 283, Laws of 1996, to the fiscal and education committees of the legislature by November 15, 1998. Grants shall be awarded to applicants showing the greatest potential for improved student learning for at-risk students including:

(i) Students who have been suspended, expelled, or are subject to other disciplinary actions;

(ii) Students with unexcused absences who need intervention from community truancy boards or family support programs;

(iii) Students who have left school; and

(iv) Students involved with the court system.

The office of the superintendent of public instruction shall prepare a report describing student recruitment, program offerings, staffing practices, and available indicators of program effectiveness of alternative education programs funded with state and, to the extent information is available, local funds. The report shall contain a plan for conducting an evaluation of the educational effectiveness of alternative education programs.

(q) \$1,600,000 of the general fund--state appropriation is provided for grants for magnet schools to be distributed as recommended by the superintendent of public instruction pursuant to chapter 232, section 516(13), Laws of 1992.

(r) \$4,300,000 of the general fund--state appropriation is provided for complex need grants. Grants shall be provided according to amounts shown in LEAP Document 30C as developed on April 27, 1997, at 03:00 hours.

**\*Sec. 501 was partially vetoed. See message at end of chapter.**

NEW SECTION.      **Sec. 502.      FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION**

(1) The following calculations determine the salaries used in the general fund allocations for certificated instructional, certificated administrative, and classified staff units under section 502, chapter 149, Laws of 1997:

(a) Salary allocations for certificated instructional staff units shall be determined for each district by multiplying the district's certificated instructional derived base salary shown on LEAP Document 12D, by the district's average staff mix factor for basic education and special education certificated instructional staff in that school year, computed using LEAP Document 1A; and

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

(2) For the purposes of this section:

(a) "Basic education certificated instructional staff" is defined as provided in RCW 28A.150.100 and "special education certificated staff" means staff assigned to the state-supported special education program pursuant to chapter 28A.155 RCW in positions requiring a certificate;

(b) "LEAP Document 1A" means the computerized tabulation establishing staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on April 8, 1991, at 13:35 hours; and

(c) "LEAP Document 12D" means the computerized tabulation of 1997-98 and 1998-99 school year salary allocations for certificated administrative staff and classified staff and derived base salaries

for certificated instructional staff as developed by the legislative evaluation and accountability program committee on March 21, 1997 at 16:37 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of 19.58 percent for certificated staff and 15.15 percent for classified staff for both years of the biennium.

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

STATE-WIDE SALARY ALLOCATION SCHEDULE  
FOR THE 1997-98 AND 1998-99 SCHOOL YEARS

Years of Service	BA	BA+15	BA+30	BA+45	BA+90
0	22,950	23,570	24,212	24,855	26,920
1	23,702	24,342	25,005	25,690	27,816
2	24,469	25,129	25,812	26,563	28,725
3	25,275	25,955	26,657	27,450	29,650
4	26,095	26,818	27,540	28,375	30,632
5	26,953	27,695	28,437	29,336	31,629
6	27,847	28,586	29,370	30,333	32,661
7	28,756	29,513	30,316	31,341	33,727
8	29,678	30,477	31,299	32,408	34,827
9		31,475	32,337	33,487	35,962
10			33,388	34,621	37,129
11				35,788	38,351
12				36,918	39,605
13					40,890
14					42,182
15 or more					43,279

Years of Service	BA+135	MA	MA+45	MA+90 or PHD
0	28,251	27,516	29,581	30,912
1	29,165	28,351	30,477	31,825
2	30,115	29,224	31,386	32,774
3	31,100	30,111	32,311	33,761
4	32,123	31,036	33,293	34,783

5	33,180	31,996	34,290	35,840
6	34,250	32,994	35,322	36,911
7	35,377	34,002	36,388	38,038
8	36,537	35,069	37,488	39,198
9	37,730	36,147	38,623	40,391
10	38,956	37,282	39,790	41,617
11	40,214	38,449	41,012	42,875
12	41,525	39,662	42,266	44,186
13	42,867	40,917	43,551	45,528
14	44,260	42,210	44,927	46,921
15 or more	45,411	43,307	46,095	48,141

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

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

- (i) Credits earned since receiving the masters degree; and
- (ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

- (a) "BA" means a baccalaureate degree.
- (b) "MA" means a masters degree.
- (c) "PHD" means a doctorate degree.

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

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and chapter 90, Laws of 1997.

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

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

(7) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2).

**\*NEW SECTION. Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

General Fund Appropriation (FY 1998).....	\$ 79,966,000
General Fund Appropriation (FY 1999).....	\$ 116,310,000
TOTAL APPROPRIATION.....	\$ 196,276,000

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

(1) \$176,525,000 is provided for a cost of living adjustment of 3.0 percent effective September 1, 1997, for state formula staff units. The appropriations include associated incremental fringe benefit allocations at rates of 19.58 percent for certificated staff and 15.15 percent for classified staff.

(a) The appropriations in this section include the increased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Salary adjustments for state employees in the office of superintendent of public instruction and the education reform program are provided in part VII of this act. Increases for general apportionment (basic education) are based on the salary allocation schedules and methodology in section 502 of this act. Increases for special education result from increases in each district's basic education allocation per student. Increases for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in section 502 of this act.

(b) The appropriations in this section provide salary increase and incremental fringe benefit allocations based on formula adjustments as follows:

(i) For pupil transportation, an increase of \$0.60 per weighted pupil-mile for the 1997-98 school year and maintained for the 1998-99 school year;

(ii) For education of highly capable students, an increase of \$6.81 per formula student for the 1997-98 school year and maintained for the 1998-99 school year; and

(iii) For transitional bilingual education, an increase of \$17.69 per eligible bilingual student for the 1997-98 school year and maintained for the 1998-99 school year; and

(iv) For learning assistance, an increase of \$8.74 per entitlement unit for the 1997-98 school year and maintained for the 1998-99 school year.

(c) The appropriations in this section include \$912,000 for salary increase adjustments for substitute teachers at a rate of \$10.64 per unit in the 1997-98 school year and maintained in the 1998-99 school year.

(2) \$19,751,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$314.51 per month for the 1997-98 and 1998-99 school years. The appropriations in this section provide increases of \$2.83 per month for the 1997-98 school year and \$18.41 per month for the 1998-99 school year at the following rates:

(a) For pupil transportation, an increase of \$0.03 per weighted pupil-mile for the 1997-98 school year and \$0.19 for the 1998-99 school year;

(b) For education of highly capable students, an increase of \$0.20 per formula student for the 1997-98 school year and \$1.35 for the 1998-99 school year;

(c) For transitional bilingual education, an increase of \$.46 per eligible bilingual student for the 1997-98 school year and \$3.44 for the 1998-99 school year; and

(d) For learning assistance, an increase of \$.36 per funded unit for the 1997-98 school year and \$2.70 for the 1998-99 school year.

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

(4)(a) For the 1997-98 school year, the superintendent shall prepare a report showing the allowable derived base salary for certificated instructional staff in accordance with RCW 28A.400.200 and LEAP Document 12D, and the actual derived base salary paid by each school district as shown on the S-275 report and shall make the report available to the fiscal committees of the legislature no later than February 15, 1998.

**(b) For the 1998-99 school year, the superintendent shall reduce the percent of salary increase funds provided in this section for certificated instructional staff in the basic education and special education programs by the percentage by which a district exceeds the**

allowable derived base salary for certificated instructional staff as shown on LEAP Document 12D.

(5) Cost-of-living funds provided to school districts under this section for classified staff shall be distributed to each and every formula funded employee at 3.0 percent, effective September 1, 1997.

\*Sec. 503 was partially vetoed. See message at end of chapter.

NEW SECTION.      **Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

General Fund Appropriation (FY 1998).....	\$	84,347,000
General Fund Appropriation (FY 1999).....	\$	89,605,000
TOTAL APPROPRIATION.....	\$	173,952,000

**Sec. 505.** 1997 c 149 s 512 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 1998)....	\$	<del>((18,327,000))</del>
		<u>18,026,000</u>
General Fund--State Appropriation (FY 1999)....	\$	<del>((19,131,000))</del>
		<u>18,983,000</u>
General		Fund--Federal
Appropriation.....	\$	.....
..... 8,548,000		
TOTAL APPROPRIATION.....	\$	<del>((46,006,000))</del>
		<u>45,557,000</u>

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

(1) The general fund--state appropriation for fiscal year 1998 includes such funds as are necessary for the remaining months of the 1996-97 school year.

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

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent

student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) \$((~~758,000~~)) 341,000 of the general fund--state fiscal year 1998 appropriation and \$((~~704,000~~)) 407,000 of the general fund--state fiscal year 1999 appropriation are provided solely for the implementation of Engrossed Third Substitute House Bill No. 3900 (revising the juvenile code). If the bill is not enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

**\*NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

General Fund Appropriation (FY 1998).....	\$ 18,905,000
General Fund Appropriation (FY 1999).....	\$ 21,868,000
TOTAL APPROPRIATION.....	\$ 40,773,000

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

(1) \$18,103,000 is provided for the operation of the commission on student learning and the development and implementation of student assessments. The commission shall cooperate with the superintendent of public instruction in defining measures of student achievement to be included in the student record system developed by the superintendent pursuant to section 501(1)(b) of this act.

(2) \$2,190,000 is provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(3) \$2,970,000 is provided for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260. Funds for the teacher assistance program shall be allocated to school districts based on the number of beginning teachers.

(4) \$4,050,000 is provided for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW.

(5) \$7,200,000 is provided for grants to school districts to provide a continuum of care for children and families to help children

become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

(6) \$5,000,000 is provided solely for the meals for kids program under RCW 28A.235.145 through 28A.235.155.

(7) \$1,260,000 is provided for technical assistance related to education reform through the office of the superintendent of public instruction, in consultation with the commission on student learning, as specified in RCW 28A.300.130 (center for the improvement of student learning).

**(8) The superintendent of public instruction shall not accept, allocate, or expend any federal funds to implement the federal goals 2000 program.**

**\*Sec. 506 was partially vetoed. See message at end of chapter.**

\*Sec. 507. 1997 c 149 s 515 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

General Fund Appropriation (FY 1998).....	\$ 31,146,000
General Fund Appropriation (FY 1999).....	\$ 33,414,000
TOTAL APPROPRIATION.....	\$ 64,560,000

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

(1) The appropriation for fiscal year 1998 provides such funds as are necessary for the remaining months of the 1996-97 school year.

(2) The superintendent of public instruction shall study the formula components proposed for the 1998-99 school year and prepare a report to the legislature no later than January 15, 1998.

(3) The superintendent shall distribute a maximum of \$643.78 per eligible bilingual student in the 1997-98 school year, exclusive of salary and benefit adjustments provided in section ((504)) 503 of this act.

(4) A student shall be eligible for funding under this section if the student is enrolled in grades K-12 pursuant to WAC 392-121-106 and is receiving specialized instruction pursuant to chapter 28A.180 RCW.

(5) The superintendent shall distribute a maximum of \$643.78 per eligible weighted bilingual student in the 1998-99 school year exclusive of salary and benefit adjustments provided in section 503 of this act.

(6) The following factors shall be used to calculate weightings for the 1998-99 school year.

(a) Grades Level

- (i) K-5..... .35
- (ii) 6-8..... .50
- (iii) 9-12..... .72

(b) Time in Program

- (i) Up to 1 year..... .82
- (ii) 1 to 2 years..... .62
- (iii) 2 to 3 years..... .41
- (iv) more than 3 years..... .21

(c) The grade level weight and time in program weight shall be summed for each eligible student and the result shall be multiplied by the rate per weighted student specified in subsection (4) of this section.

(d) Time in program under (b) of this subsection shall be calculated in accordance with WAC 392-160-035.

\*Sec. 507 was partially vetoed. See message at end of chapter.

NEW SECTION.      **Sec. 508.      FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

General Fund Appropriation (FY 1998).....	\$ 49,815,000
General Fund Appropriation (FY 1999).....	\$ 56,962,000
TOTAL APPROPRIATION.....	\$ 106,777,000

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

(1) A maximum of \$50,841,000 is provided for learning improvement allocations to school districts to enhance the ability of instructional staff to teach and assess the essential academic learning requirements for reading, writing, communication, and math in accordance with the timelines and requirements established under RCW 28A.630.885. However, special emphasis shall be given to the

successful teaching of reading. Allocations under this section shall be subject to the following conditions and limitations:

(a) In accordance with the timetable for the implementation of the assessment system by the commission on student learning, the allocations for the 1997-98 and 1998-99 school years shall be at a maximum annual rate per full-time equivalent student of \$36.69 for students enrolled in grades K-4, \$30.00 for students enrolled in grades 5-7, and \$22.95 for students enrolled in grades 8-12. Allocations shall be made on the monthly apportionment schedule provided in RCW 28A.510.250.

(b) A district receiving learning improvement allocations shall:

(i) Develop and keep on file at each building a student learning improvement plan to achieve the student learning goals and essential academic learning requirements and to implement the assessment system as it is developed. The plan shall delineate how the learning improvement allocations will be used to accomplish the foregoing. The plan shall be made available to the public upon request;

(ii) Maintain a policy regarding the involvement of school staff, parents, and community members in instructional decisions;

(iii) File a report by October 1, 1998, and October 1, 1999, with the office of the superintendent of public instruction, in a format developed by the superintendent that: Enumerates the activities funded by these allocations; the amount expended for each activity; describes how the activity improved understanding, teaching, and assessment of the essential academic learning requirements by instructional staff; and identifies any amounts expended from this allocation for supplemental contracts; and

(iv) Provide parents and the local community with specific information on the use of this allocation by including in the annual performance report required in RCW 28A.320.205, information on how funds allocated under this subsection were spent and the results achieved.

(c) The superintendent of public instruction shall compile and analyze the school district reports and present the results to the office of financial management and the appropriate committees of the legislature no later than November 15, 1998, and November 15, 1999.

(2) \$55,937,000 is provided for local education program enhancements to meet educational needs as identified by the school district, including alternative education programs. This amount includes such amounts as are necessary for the remainder of the 1996-

97 school year. Allocations for the 1997-98 and 1998-99 school year shall be at a maximum annual rate of \$29.86 per full-time equivalent student as determined pursuant to subsection (3) of this section. Allocations shall be made on the monthly apportionment payment schedule provided in RCW 28A.510.250.

(3) Allocations provided under this section shall be based on school district annual average full-time equivalent enrollment in grades kindergarten through twelve: PROVIDED, That for school districts enrolling not more than one hundred average annual full-time equivalent students, and for small school plants within any school district designated as remote and necessary schools, the allocations shall be as follows:

(a) Enrollment of not more than 60 average annual full-time equivalent students in grades kindergarten through six shall generate funding based on sixty full-time equivalent students;

(b) Enrollment of not more than 20 average annual full-time equivalent students in grades seven and eight shall generate funding based on twenty full-time equivalent students; and

(c) Enrollment of not more than 60 average annual full-time equivalent students in grades nine through twelve shall generate funding based on sixty full-time equivalent students.

(4) Funding provided pursuant to this section does not fall within the definition of basic education for purposes of Article IX of the state Constitution and the state's funding duty thereunder.

(5) Receipt by a school district of one-fourth of the district's allocation of funds under this section, shall be conditioned on a finding by the superintendent that:

(a) The district is enrolled as a medicaid service provider and is actively pursuing federal matching funds for medical services provided through special education programs, pursuant to RCW 74.09.5241 through 74.09.5256 (Title XIX funding); and

(b) The district is filing truancy petitions as required under chapter 312, Laws of 1995 and RCW 28A.225.030.

**NEW SECTION. Sec. 509. FOR THE STATE BOARD OF EDUCATION**  
Education Savings Account Appropriation to the  
Common School Construction Account..... \$ 12,621,000

(End of part)

**PART VI**  
**HIGHER EDUCATION**

NEW SECTION.     **Sec. 601.**     The appropriations in sections 603 through 609 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 603 through 609 of this act.

(2)(a) The salary increases provided or referenced in this subsection shall be the allowable salary increases provided at institutions of higher education, excluding increases associated with normally occurring promotions and increases related to faculty and professional staff retention, and excluding increases associated with employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015.

(b) Each institution of higher education shall provide to each classified staff employee as defined by the office of financial management a salary increase of 3.0 percent on July 1, 1997. Each institution of higher education shall provide to instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants as classified by the office of financial management, and all other nonclassified staff, including those employees under RCW 28B.16.015, an average salary increase of 3.0 percent on July 1, 1997. For employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015, distribution of the salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated. To collect consistent data for use by the legislature, the office of financial management, and other state agencies for policy and planning purposes, institutions of higher education shall report personnel data to be used in the department of personnel's human resource data warehouse in compliance with uniform reporting procedures established by the department of personnel.

(c) Each institution of higher education receiving appropriations under sections 604 through 609 of this act may provide to

instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015, an additional average salary increase of 1.0 percent on July 1, 1997, and an average salary increase of 2.0 percent on July 1, 1998. Any salary increases authorized under this subsection (2)(c) shall not be included in an institution's salary base. It is the intent of the legislature that general fund--state support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (2)(c).

(d) Specific salary increases authorized in sections 603 through 609 of this act are in addition to any salary increase provided in this subsection.

(3)(a) Each institution receiving appropriations under sections 604 through 609 of this act shall submit plans for achieving measurable and specific improvements in academic years 1997-98 and 1998-99 to the higher education coordinating board. The plans, to be prepared at the direction of the board, shall be submitted by August 15, 1997 (for academic year 1997-98) and June 30, 1998 (for academic year 1998-99). The following measures and goals will be used for the 1997-99 biennium:

	Goal
(i) Undergraduate graduation efficiency index:	
For students beginning as freshmen	95
For transfer students	90

(ii) Undergraduate student retention, defined as the percentage of all undergraduate students who return for the next year at the same institution, measured from fall to fall:

Research universities	95%
Comprehensive universities and college	90%

(iii) Graduation rates, defined as the percentage of an entering freshmen class at each institution that graduates within five years:

Research universities	65%
Comprehensive universities and college	55%

(iv) A measure of faculty productivity, with goals and targets in accord with the legislative intent to achieve measurable and specific improvements, to be determined by the higher education coordinating board, in consultation with the institutions receiving appropriations under sections 604 through 609 of this act.

(v) An additional measure and goal to be selected by the higher education coordinating board for each institution, in consultation with each institution.

(b) Academic year 1995-96 shall be the baseline year against which performance in academic year 1997-98 shall be measured. Academic year 1997-98 shall be the baseline year against which performance in academic year 1998-99 shall be measured. The difference between each institution's baseline year and the state-wide performance goals shall be calculated and shall be the performance gap for each institution for each measure for each year. The higher education coordinating board shall set performance targets for closing the performance gap for each measure for each institution. Performance targets shall be set at levels that reflect meaningful and substantial progress towards the state-wide performance goals. Each institution shall report to the higher education coordinating board on its actual performance achievement for each measure for academic year 1997-98 by June 30, 1998, except that performance reporting for the student retention measure shall be completed by October 15, 1998.

(4) The state board for community and technical colleges shall develop an implementation plan for measurable and specific improvements in productivity, efficiency, and student retention in academic years 1997-98 and 1998-99 consistent with the performance management system developed by the work force training and education coordinating board and for the following long-term performance goals:

	Goal
(a) Hourly wages for vocational graduates	\$12/hour
(b) Academic students transferring to Washington higher education institutions	67%
(c) Core course completion rates	85%
(d) Graduation efficiency index	95

(5) The state's public institutions of higher education increasingly are being called upon to become more efficient in conducting the business operations necessary to support the carrying

out of their academic missions. The legislature recognizes that state laws and regulations may have the unintended effect of acting as barriers to efficient operation in some instances, and desires to encourage the institutions of higher education to think beyond the constraints of current law in identifying opportunities for improved efficiency. Accordingly, the legislature requests that the institutions of higher education, working together through the council of presidents' office and the state board for community and technical colleges, identify opportunities for changes in state law that would form the basis for a new efficiency compact with the state, for consideration no later than the 1999 legislative session.

\*NEW SECTION. **Sec. 602.** (1) The appropriations in sections 603 through 609 of this act provide state general fund support or employment and training trust account support for full-time equivalent student enrollments at each institution of higher education. Listed below are the annual full-time equivalent student enrollments by institution assumed in this act.

	1997-98	1998-99
	Annual	Annual
	Average	Average
University of Washington		
Main campus	31,297	31,527
Bothell branch	775	895
Tacoma branch	847	992
Washington State University		
Main campus	17,403	17,723
Spokane branch	352	442
Tri-Cities branch	754	814
Vancouver branch	851	971
Central Washington University	7,346	7,446
Eastern Washington University	7,739	7,739
The Evergreen State College	3,496	3,576
Western Washington University	10,188	10,338

State Board for Community and Technical Colleges	116,426	118,526
Higher Education Coordinating Board	50	50

*(2) The legislature intends to reduce general fund--state support for student enrollments by average instructional funding as calculated by the higher education coordinating board for enrollments below the budgeted levels in subsection (1) of this section, except that, for campuses with less than 1,500 budgeted full-time equivalent (FTE) student enrollments, enrollment targets shall be set at 95 percent of the budgeted enrollment level, and except that underenrollment at Eastern Washington University shall be administered in accordance with section 606(5) of this act.*

\*Sec. 602 was partially vetoed. See message at end of chapter.

NEW SECTION.    **Sec. 603.    FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund--State Appropriation (FY 1998).....	\$ 382,891,000
General Fund--State Appropriation (FY 1999).....	\$ 420,961,000
General	Fund--Federal
Appropriation.....	\$.....
..... 11,404,000	
Employment and Training Trust Account	
Appropriation.....	\$ 26,346,000
TOTAL APPROPRIATION.....	\$ 841,602,000

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

(1) \$2,718,000 of the general fund--state appropriation for fiscal year 1998 and \$4,079,000 of the general fund--state appropriation for fiscal year 1999 shall be held in reserve by the board. These funds are provided for improvements in productivity, efficiency, and student retention. The board may approve the fiscal year 1998 allocation of funds under this subsection upon completion of an implementation plan. The implementation plan shall be submitted by the board to the appropriate legislative committees and the office of financial management in accordance with section 601(4) of this act by September 1, 1997. The board may approve the fiscal year 1999 allocation of funds under this subsection based on the board's evaluation of:

(a) College performance compared to the goals for productivity, efficiency, and student retention as submitted in the plan required in section 601(4) of this act; and

(b) The quality and effectiveness of the strategies the colleges propose to achieve continued improvement in quality and efficiency during the 1998-99 academic year.

(2) \$2,553,000 of the general fund--state appropriation for fiscal year 1998, \$28,761,000 of the general fund--state appropriation for fiscal year 1999, and the entire employment and training trust account appropriation are provided solely as special funds for training and related support services, including financial aid, child care, and transportation, as specified in chapter 226, Laws of 1993 (employment and training for unemployed workers) and Substitute House Bill No. 2214.

(a) Funding is provided to support up to 7,200 full-time equivalent students in each fiscal year.

(b) The state board for community and technical colleges shall submit a plan for the allocation of the full-time equivalent students provided in this subsection to the workforce training and education coordinating board for review and approval.

(3) \$1,441,000 of the general fund--state appropriation for fiscal year 1998 and \$1,441,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for 500 FTE enrollment slots to implement RCW 28B.50.259 (timber-dependent communities).

(4) \$1,862,500 of the general fund--state appropriation for fiscal year 1998 and \$1,862,500 of the general fund--state appropriation for fiscal year 1999 are provided solely for assessment of student outcomes at community and technical colleges.

(5) \$706,000 of the general fund--state appropriation for fiscal year 1998 and \$706,000 of general fund--state appropriation for fiscal year 1999 are provided solely to recruit and retain minority students and faculty.

(6) Up to \$1,035,000 of the general fund--state appropriation for fiscal year 1998 and up to \$2,102,000 of the general fund--state appropriation for fiscal year 1999 may be used in combination with salary and benefit savings from faculty turnover to provide faculty salary increments and associated benefits. To the extent general salary increase funding is used to pay faculty increments, the general salary increase shall be reduced by the same amount.

(7) To address part-time faculty salary disparities and to increase the ratio of full-time to part-time faculty instructors, the board shall provide salary increases to part-time instructors or hire additional full-time instructional staff under the following conditions and limitations: (a) The amount used for such purposes shall not exceed an amount equivalent to an additional salary increase of 1.0 percent on July 1, 1997, and an additional salary increase of 2.0 percent on July 1, 1998, for instructional faculty as classified by the office of financial management; and (b) at least \$2,934,000 shall be spent for the purposes of this subsection.

(8) \$83,000 of the general fund--state appropriation for fiscal year 1998 and \$1,567,000 of the general fund--state appropriation for fiscal year 1999 are provided for personnel and expenses to develop curricula, library resources, and operations of Cascadia Community College. It is the legislature's intent to use the opportunity provided by the establishment of the new institution to conduct a pilot project of budgeting based on instructional standards and outcomes. The college shall use a portion of the available funds to develop a set of measurable standards and outcomes as the basis for budget development in the 1999-01 biennium.

(9) The technical colleges may increase tuition and fees to conform with the percentage increase in community college operating fees enacted by the 1997 legislature. The community colleges may charge up to the maximum level authorized for services and activities fees in RCW 28B.15.069.

(10) Community and technical colleges with below-average faculty salaries may use funds identified by the state board in the 1997-98 and 1998-99 operating allocations to increase faculty salaries no higher than the system-wide average.

(11) \$1,000,000 of the general fund--state appropriation for fiscal year 1998 and \$1,000,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for tuition support for students enrolled in work-based learning programs.

**NEW SECTION. Sec. 604. FOR UNIVERSITY OF WASHINGTON**

General Fund Appropriation (FY 1998).....	\$ 283,923,000
General Fund Appropriation (FY 1999).....	\$ 289,807,000
Death Investigations Account Appropriation.....	\$ 1,810,000
Industrial Insurance Premium Refund Account	
Appropriation.....	\$ 514,000

Accident	Account
Appropriation.....	\$.....
..... 4,969,000	
Medical Aid Account Appropriation.....	\$ 4,989,000
TOTAL APPROPRIATION.....	\$ 586,012,000

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

(1) \$2,019,000 of the general fund appropriation for fiscal year 1998 and \$3,029,000 of the general fund appropriation for fiscal year 1999 shall be placed in reserve. The office of financial management shall approve the allotment of amounts under this subsection upon notification by the higher education coordinating board. These amounts are provided for the preparation of plans and for the achievement of measurable and specific improvements towards performance and accountability goals as outlined in section 601(3) of this act.

(2) \$800,000 of the general fund appropriation for fiscal year 1998 and \$1,896,000 of the general fund appropriation for fiscal year 1999 are provided solely to support additional upper-division and graduate level enrollments at the Tacoma branch campus above the 1996-97 budgeted FTE level.

(3) \$593,000 of the general fund appropriation for fiscal year 1998 and \$1,547,000 of the general fund appropriation for fiscal year 1999 are provided solely to support additional upper-division and graduate level enrollments at the Bothell branch campus above the 1996-97 budgeted FTE level.

(4) \$186,000 of the general fund appropriation for fiscal year 1998 and \$186,000 of the general fund appropriation for fiscal year 1999 are provided solely for assessment of student outcomes.

(5) \$324,000 of the general fund appropriation for fiscal year 1998 and \$324,000 of the general fund appropriation for fiscal year 1999 are provided solely to recruit and retain minority students and faculty.

(6) \$130,000 of the general fund appropriation for fiscal year 1998 and \$130,000 of the general fund appropriation for fiscal year 1999 are provided solely for the implementation of the Puget Sound work plan agency action item UW-01.

(7) \$1,200,000 of the general fund appropriation for fiscal year 1998 and \$1,200,000 of the general fund appropriation for fiscal year

1999 are provided solely for competitively offered faculty recruitment and retention salary adjustments. The university shall provide a report in their 1999-01 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this subsection.

(8) \$47,000 of the fiscal year 1998 general fund appropriation and \$47,000 of the fiscal year 1999 general fund appropriation are provided solely to employ a fossil preparator/educator in the Burke Museum. The entire amounts provided in this subsection shall be provided directly to the Burke Museum.

(9) \$75,000 of the general fund appropriation for fiscal year 1998 and \$75,000 of the general fund appropriation for fiscal year 1999 are provided solely for enhancements to research capabilities at the Olympic natural resources center.

**NEW SECTION. Sec. 605. FOR WASHINGTON STATE UNIVERSITY**

General Fund Appropriation (FY 1998).....	\$ 166,644,000
General Fund Appropriation (FY 1999).....	\$ 172,819,000
Air Pollution Control Account Appropriation.....	\$ 206,000
TOTAL APPROPRIATION.....	\$ 339,669,000

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

(1) \$1,204,000 of the general fund appropriation for fiscal year 1998 and \$1,807,000 of the general fund appropriation for fiscal year 1999 shall be placed in reserve. The office of financial management shall approve the allotment of amounts under this subsection upon notification by the higher education coordinating board. These amounts are provided for the preparation of plans and for the achievement of measurable and specific improvements towards performance and accountability goals as outlined in section 601(3) of this act.

(2) \$1,059,000 of the general fund appropriation for fiscal year 1999 is provided solely to support additional upper-division and graduate level enrollments at the Vancouver branch campus above the 1996-97 budgeted FTE level.

(3) \$263,000 of the general fund appropriation for fiscal year 1998 and \$789,000 of the general fund appropriation for fiscal year 1999 are provided solely to support additional upper-division and

graduate level enrollments at the Tri-Cities branch campus above the 1996-97 budgeted FTE level.

(4) \$971,000 of the general fund appropriation for fiscal year 1999 is provided solely to support additional upper-division and graduate level enrollments at the Spokane branch campus above the 1996-97 budgeted FTE level.

(5) \$186,000 of the general fund appropriation for fiscal year 1998 and \$186,000 of the general fund appropriation for fiscal year 1999 are provided solely for assessment of student outcomes.

(6) \$140,000 of the general fund appropriation for fiscal year 1998 and \$140,000 of the general fund appropriation for fiscal year 1999 are provided solely to recruit and retain minority students and faculty.

(7) \$157,000 of the general fund appropriation for fiscal year 1998 and \$157,000 of the general fund appropriation for fiscal year 1999 are provided solely for the implementation of the Puget Sound work plan agency action item WSU-01.

(8) \$600,000 of the general fund appropriation for fiscal year 1998 and \$600,000 of the general fund appropriation for fiscal year 1999 are provided solely for competitively offered faculty recruitment and retention salary adjustments. The university shall provide a report in their 1999-01 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this subsection.

(9) \$50,000 of the general fund appropriation for fiscal year 1998 and \$50,000 of the general fund appropriation for fiscal year 1999 are provided solely for yellow star thistle research.

(10) \$55,000 of the general fund appropriation for fiscal year 1998 and \$55,000 of the general fund appropriation for fiscal year 1999 are provided solely for the Goldendale distance learning center.

**NEW SECTION. Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY**

General Fund Appropriation (FY 1998).....	\$ 39,211,000
General Fund Appropriation (FY 1999).....	\$ 39,489,000
TOTAL APPROPRIATION.....	\$ 78,700,000

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

(1) \$285,000 of the general fund appropriation for fiscal year 1998 and \$428,000 of the general fund appropriation for fiscal year

1999 shall be placed in reserve. The office of financial management shall approve the allotment of amounts under this subsection upon notification by the higher education coordinating board. These amounts are provided for the preparation of plans and for the achievement of measurable and specific improvements towards performance and accountability goals as outlined in section 601(3) of this act.

(2) \$186,000 of the general fund appropriation for fiscal year 1998 and \$186,000 of the general fund appropriation for fiscal year 1999 are provided solely for assessment of student outcomes.

(3) \$93,000 of the general fund appropriation for fiscal year 1998 and \$93,000 of the general fund appropriation for fiscal year 1999 are provided solely to recruit and retain minority students and faculty.

(4) \$53,000 of the general fund--state appropriation for fiscal year 1998 and \$54,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for competitively offered faculty recruitment and retention salary adjustments. The university shall provide a report in their 1999-01 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this subsection.

(5) \$3,188,000 of the general fund appropriation for fiscal year 1998 and \$3,188,000 of the general fund appropriation for fiscal year 1999 shall be placed in reserve pending attainment of budgeted enrollments of 6,942 FTEs. The office of financial management shall approve the allotment of funds under this subsection at the annual rate of \$4,000 for annual student FTEs in excess of 6,942 based on tenth day quarterly enrollment and the office of financial management's quarterly budget driver report. In addition, allotments of reserve funds in this section shall be approved by the office of financial management upon approval by the higher education coordinating board for (a) actions that will result in additional enrollment growth, and (b) contractual obligations in fiscal year 1998 to the extent such funds are required.

**NEW SECTION. Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY**

General Fund Appropriation (FY 1998).....	\$ 37,214,000
General Fund Appropriation (FY 1999).....	\$ 38,616,000
TOTAL APPROPRIATION.....	\$ 75,830,000

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

(1) \$269,000 of the general fund appropriation for fiscal year 1998 and \$403,000 of the general fund appropriation for fiscal year 1999 shall be placed in reserve. The office of financial management shall approve the allotment of amounts under this subsection upon notification by the higher education coordinating board. These amounts are provided for the preparation of plans and for the achievement of measurable and specific improvements towards performance and accountability goals as outlined in section 601(3) of this act.

(2) \$186,000 of the general fund appropriation for fiscal year 1998 and \$186,000 of the general fund appropriation for fiscal year 1999 are provided solely for assessment of student outcomes.

(3) \$70,000 of the general fund appropriation for fiscal year 1998 and \$70,000 of the general fund appropriation for fiscal year 1999 are provided solely to recruit and retain minority students and faculty.

(4) \$51,000 of the general fund appropriation for fiscal year 1998 and \$51,000 of the general fund appropriation for fiscal year 1999 are provided solely for competitively offered faculty recruitment and retention salary adjustments. The college shall provide a report in their 1999-01 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this subsection.

**NEW SECTION. Sec. 608. FOR THE EVERGREEN STATE COLLEGE**

General Fund Appropriation (FY 1998).....	\$ 20,151,000
General Fund Appropriation (FY 1999).....	\$ 20,518,000
TOTAL APPROPRIATION.....	\$ 40,669,000

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

(1) \$144,000 of the general fund appropriation for fiscal year 1998 and \$217,000 of the general fund appropriation for fiscal year 1999 shall be placed in reserve. The office of financial management shall approve the allotment of amounts under this subsection upon notification by the higher education coordinating board. These amounts are provided for the preparation of plans and for the achievement of measurable and specific improvements towards performance and accountability goals as outlined in section 601(3) of this act.

(2) \$186,000 of the general fund appropriation for fiscal year 1998 and \$186,000 of the general fund appropriation for fiscal year 1999 are provided solely for assessment of student outcomes.

(3) \$47,000 of the general fund appropriation for fiscal year 1998 and \$47,000 of the general fund appropriation for fiscal year 1999 are provided solely to recruit and retain minority students and faculty.

(4) \$29,000 of the general fund appropriation for fiscal year 1998 and \$29,000 of the general fund appropriation for fiscal year 1999 are provided solely for competitively offered faculty recruitment and retention salary adjustments. The college shall provide a report in their 1999-01 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this subsection.

**NEW SECTION. Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY**

General Fund Appropriation (FY 1998).....	\$ 47,822,000
General Fund Appropriation (FY 1999).....	\$ 48,855,000
TOTAL APPROPRIATION.....	\$ 96,677,000

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

(1) \$342,000 of the general fund appropriation for fiscal year 1998 and \$514,000 of the general fund appropriation for fiscal year 1999 shall be placed in reserve. The office of financial management shall approve the allotment of amounts under this subsection upon notification by the higher education coordinating board. These amounts are provided for the preparation of plans and for the achievement of measurable and specific improvements towards performance and accountability goals as outlined in section 601(3) of this act.

(2) \$186,000 of the general fund appropriation for fiscal year 1998 and \$186,000 of the general fund appropriation for fiscal year 1999 are provided solely for assessment of student outcomes.

(3) \$93,000 of the general fund appropriation for fiscal year 1998 and \$93,000 of the general fund appropriation for fiscal year 1999 are provided solely to recruit and retain minority students and faculty.

(4) \$66,000 of the general fund appropriation for fiscal year 1998 and \$67,000 of the general fund appropriation for fiscal year 1999 are provided solely for competitively offered faculty recruitment and retention salary adjustments. The university shall provide a report

in their 1999-01 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this subsection.

**Sec. 610.** 1997 c 149 s 610 (uncodified) is amended to read as follows:

**FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND ADMINISTRATION**

General Fund--State Appropriation (FY 1998).....	\$	2,734,000	
General Fund--State Appropriation (FY 1999).....	\$	2,615,000	
General Fund--Federal Appropriation.....			\$
693,000			
TOTAL APPROPRIATION.....	\$	6,042,000	

The appropriations in this section are provided to carry out the accountability, performance measurement, policy coordination, planning, studies and administrative functions of the board and are subject to the following conditions and limitations:

(1) The board shall set performance targets, review, recommend changes if necessary, and approve plans defined in section 601(3)(a) of this act for achieving measurable and specific improvements in academic years 1997-98 and 1998-99. By October 1, 1997, the board shall notify the office of financial management to allot institutions' fiscal year 1998 performance funds held in reserve, based upon the adequacy of plans prepared by the institutions.

(2) The board shall develop criteria to assess institutions' performance and shall use those criteria in determining the allotment of performance and accountability funds. The board shall evaluate each institution's achievement of performance targets for the 1997-98 academic year and, by August 1, 1998, the board shall notify the office of financial management to allot institutions' fiscal year 1999 performance funds held in reserve, based upon each institution's performance, except for performance funds held for achievement of the student retention measure. For the student retention measure, the board shall notify the office of financial management by November 1, 1998, to allot institutions' fiscal year 1999 performance funds held in reserve, based upon each institution's performance.

(3) By January, 1999, the board shall recommend to the office of financial management and appropriate legislative committees any recommended additions, deletions, or revisions to the performance and accountability measures in sections 601(3) of this act as part of the

next master plan for higher education. The recommendations shall be developed in consultation with the institutions of higher education and may include additional performance indicators to measure successful student learning and other student outcomes for possible inclusion in the 1999-01 operating budget.

(4) \$280,000 of the general fund--state appropriation for fiscal year 1998 and \$280,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for enrollment to implement RCW 28B.80.570 through 28B.80.585 (rural natural resources impact areas). The number of students served shall be 50 full-time equivalent students per fiscal year. The board shall ensure that enrollments reported under this subsection meet the criteria outlined in RCW 28B.80.570 through 28B.80.585.

(5) \$70,000 of the general fund--state appropriation for fiscal year 1998 and \$70,000 of the general fund--state appropriation for fiscal year 1999 are provided to develop a competency based admissions system for higher education institutions. The board shall complete the competency based admissions system and issue a report outlining the competency based admissions system by January 1999.

(6) \$500,000 of the general fund--state appropriation for fiscal year 1998 and \$500,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for activities related to higher education facilities planning, project monitoring, and access issues related to capital facilities. Of this amount, \$50,000 is provided for a study of higher education needs of Okanogan county and surrounding communities with consideration given to alternative approaches to educational service delivery, facility expansion, relocation or partnership, and long-term growth and future educational demands of the region.

(7) \$150,000 of the general fund--state appropriation for fiscal year 1998 is provided solely as one-time funding for computer upgrades.

**\*NEW SECTION. Sec. 611. FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT PROGRAMS**

General Fund--State Appropriation (FY 1998).....	\$	89,369,000
General Fund--State Appropriation (FY 1999).....	\$	96,209,000
General		Fund--Federal
Appropriation.....	\$	.....
.....		8,255,000

TOTAL APPROPRIATION..... \$ 193,833,000

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

(1) \$527,000 of the general fund--state appropriation for fiscal year 1998 and \$526,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the displaced homemakers program.

(2) \$216,000 of the general fund--state appropriation for fiscal year 1998 and \$220,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the western interstate commission for higher education.

(3) \$118,000 of the general fund--state appropriation for fiscal year 1998 and \$118,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the health personnel resources plan.

(4) \$1,000,000 of the general fund--state appropriation for fiscal year 1998 and \$1,000,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the scholarships and loans program under chapter 28B.115 RCW, the health professional conditional scholarship program. This amount shall be deposited to the health professional loan repayment and scholarship trust fund to carry out the purposes of the program.

(5) \$86,783,000 of the general fund--state appropriation for fiscal year 1998 and \$93,728,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for student financial aid, including all administrative costs. The amounts in (a), (b), and (c) of this subsection are sufficient to implement Second Substitute House Bill No. 1851 (higher education financial aid). Of these amounts:

(a) \$67,266,000 of the general fund--state appropriation for fiscal year 1998 and \$73,968,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the state need grant program.

***(i) Unless an alternative method for distribution of the state need grant is enacted which distributes grants based on tuition costs, for the purposes of determination of eligibility for state need grants for the 1998-99 academic year, the higher education coordinating board shall establish family income equivalencies for independent students having financial responsibility for children and independent students***

*with no financial responsibility for children, respectively, based on the United States bureau of labor statistics' low budget standard for persons in the 20-35 year age group, in accordance with the recommendations of the 1996 student financial aid policy advisory committee.*

(ii) After April 1 of each fiscal year, up to one percent of the annual appropriation for the state need grant program may be transferred to the state work study program.

(b) \$15,350,000 of the general fund--state appropriation for fiscal year 1998 and \$15,350,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the state work study program. After April 1 of each fiscal year, up to one percent of the annual appropriation for the state work study program may be transferred to the state need grant program;

(c) \$2,420,000 of the general fund--state appropriation for fiscal year 1998 and \$2,420,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for educational opportunity grants. For the purpose of establishing eligibility for the equal opportunity grant program for placebound students under RCW 28B.101.020, Thurston county lies within the branch campus service area of the Tacoma branch campus of the University of Washington;

(d) A maximum of 2.1 percent of the general fund--state appropriation for fiscal year 1998 and 2.1 percent of the general fund--state appropriation for fiscal year 1999 may be expended for financial aid administration, excluding the four percent state work study program administrative allowance provision;

(e) \$230,000 of the general fund--state appropriation for fiscal year 1998 and \$201,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for the educator's excellence awards. Any educator's excellence moneys not awarded by April 1st of each year may be transferred by the board to either the Washington scholars program or, in consultation with the workforce training and education coordinating board, to the Washington award for vocational excellence;

(f) \$1,011,000 of the general fund--state appropriation for fiscal year 1998 and \$1,265,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to implement the Washington scholars program. Any Washington scholars program moneys not awarded by April 1st of each year may be transferred by the board to either the educator's excellence awards or, in consultation with the

workforce training and education coordinating board, to the Washington award for vocational excellence;

(g) \$456,000 of the general fund--state appropriation for fiscal year 1998 and \$474,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to implement Washington award for vocational excellence program. Any Washington award for vocational program moneys not awarded by April 1st of each year may be transferred by the board to either the educator's excellence awards or the Washington scholars program;

(h) \$51,000 of the general fund--state appropriation for fiscal year 1998 and \$51,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for community scholarship matching grants of \$2,000 each. To be eligible for the matching grant, a nonprofit community organization organized under section 501(c)(3) of the internal revenue code must demonstrate that it has raised \$2,000 in new moneys for college scholarships after the effective date of this act. No organization may receive more than one \$2,000 matching grant; and

(6) \$175,000 of the general fund--state appropriation for fiscal year 1998 and \$175,000 of the general fund--state appropriation for fiscal year 1999 are provided solely to implement Engrossed Second Substitute House Bill No. 1372 or Second Substitute Senate Bill No. 5106 (Washington advanced college tuition payment program). If neither Engrossed Second Substitute House Bill No. 1372 nor Second Substitute Senate Bill No. 5106 is enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(7) \$187,000 of the general fund--state appropriation for fiscal year 1998 and \$188,000 of the general fund--state appropriation for fiscal year 1999 are provided solely for a demonstration project in the 1997-99 biennium to provide undergraduate fellowships based upon the graduate fellowship program.

(8) Funding is provided in this section for the development of three models for tuition charges for distance learning programs. Institutions involved in distance education or extended learning shall provide information to the board on the usage, cost, and revenue generated by such programs.

**\*Sec. 611 was partially vetoed. See message at end of chapter.**

(End of part)

**PART VII**  
**SPECIAL APPROPRIATIONS**

**Sec. 701.** 1997 c 149 s 709 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--EMERGENCY FUND**

General Fund Appropriation (FY 1998).....	\$	(( <del>500,000</del> ))
		<u>850,000</u>
General Fund Appropriation (FY 1999).....	\$	(( <del>500,000</del> ))
		<u>850,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>1,000,000</del> ))
		<u>1,700,000</u>

The appropriation in this section is for the governor's emergency fund for the critically necessary work of any agency.

**\*NEW SECTION.** **Sec. 702. YEAR 2000 ALLOCATIONS. 1997 c 149 s 710 (uncodified) is repealed.**

**\*Sec. 702 was vetoed. See message at end of chapter.**

**NEW SECTION.** **Sec. 703. SALARY COST OF LIVING ADJUSTMENT**

General Fund--State Appropriation (FY 1998).....	\$	31,031,000
General Fund--State Appropriation (FY 1999).....	\$	31,421,000
General		Fund--Federal
Appropriation.....	\$.....	
.....		17,578,000
Salary and Insurance Increase Revolving Account		
Appropriation.....	\$	48,678,000
TOTAL APPROPRIATION.....	\$	128,708,000

The appropriations in this section shall be expended solely for the purposes designated in this section and are subject to the conditions and limitations in this section:

- (1) In addition to the purposes set forth in subsections (2) and (3) of this section, appropriations in this section are provided solely for a 3.0 percent salary increase effective July 1, 1997, for all classified employees, including those employees in the Washington

management service, and exempt employees under the jurisdiction of the personnel resources board.

(2) The appropriations in this section are sufficient to fund a 3.0 percent salary increase effective July 1, 1997, for general government, legislative, and judicial employees exempt from merit system rules whose salaries are not set by the commission on salaries for elected officials.

(3) The salary and insurance increase revolving account appropriation in this section includes funds sufficient to fund a 3.0 percent salary increase effective July 1, 1997, for ferry workers consistent with the 1997-99 transportation appropriations act.

(4) No salary increase may be paid under this section to any person whose salary has been Y-rated pursuant to rules adopted by the personnel resources board.

**NEW SECTION. Sec. 704. FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
COMPENSATION ACTIONS OF PERSONNEL RESOURCES BOARD**

General Fund Appropriation (FY 1998).....	\$	5,289,000
General Fund Appropriation (FY 1999).....	\$	10,642,000
Salary and Insurance Increase Revolving Account Appropriation.....	\$	8,862,000
TOTAL APPROPRIATION.....	\$	24,793,000

The appropriations in this section shall be expended solely for the purposes designated in this section and are subject to the conditions and limitations in this section.

(1) Funding is provided to fully implement the recommendations of the Washington personnel resources board consistent with the provisions of chapter 319, Laws of 1996.

(2) Implementation of the salary adjustments for the various clerical classes, physicians, dental classifications, pharmacists, maintenance custodians, medical records technicians, fish/wildlife biologists, fish/wildlife enforcement, habitat technicians, and fiscal technician classifications will be effective July 1, 1997. Implementation of the salary adjustments for safety classifications, park rangers, park aides, correctional officers/sergeants, community corrections specialists, tax information specialists, industrial relations specialists, electrical classifications at the department of labor and industries, fingerprint technicians, some labor relations classifications, health benefits

specialists, foresters/land managers, and liquor enforcement officers will be effective July 1, 1998.

**NEW SECTION. Sec. 705. FOR THE STATE HEALTH CARE AUTHORITY--  
HEALTH CARE CONTINGENCY RESERVE**

General Fund Appropriation (FY 1998)..... \$ 1,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided for deposit in the public employees' and retirees' insurance account to provide a contingency reserve.

**\*NEW SECTION. Sec. 706. REGULATORY REFORM. 1997 c 149 s 719  
(uncodified) is repealed.**

**\*Sec. 706 was vetoed. See message at end of chapter.**

(End of part)

**PART VIII**  
**OTHER TRANSFERS AND APPROPRIATIONS**

**Sec. 801.** 1997 c 149 s 801 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION**

General Fund Appropriation for fire insurance			
premiums distribution.....	\$	6,617,250	
General Fund Appropriation for public utility			
district excise tax distribution.....	\$	35,183,803	
General Fund Appropriation for prosecuting attorneys			
salaries.....	\$	2,960,000	
General Fund Appropriation for motor vehicle excise			
tax distribution.....	\$	84,721,573	
General Fund Appropriation for local mass transit			
assistance.....	\$	383,208,166	
General Fund Appropriation for camper and travel			
trailer			excise
distribution.....	\$	3,904,937	tax
General Fund Appropriation for boating			
safety/education and law enforcement			
distribution.....	\$	3,616,000	
Aquatic Lands Enhancement Account Appropriation			
for harbor improvement revenue distribution.....	\$	142,000	
Liquor Excise Tax Account Appropriation for liquor			
excise tax distribution.....	\$	22,287,746	
Liquor Revolving Fund Appropriation for liquor			
profits distribution.....	\$	36,989,000	
Timber Tax Distribution Account Appropriation			
for distribution to "Timber" counties.....	\$	107,146,000	
Municipal Sales and Use Tax Equalization Account			
Appropriation.....	\$	66,860,014	
County Sales and Use Tax Equalization Account			
Appropriation.....	\$	11,843,224	
Death Investigations Account Appropriation for			
distribution to counties for publicly funded			
autopsies.....	\$	1,266,000	

County	Criminal	Justice	Account
Appropriation...		\$.....	.....
.....	(( <del>80,552,471</del> ))		
			<u>80,634,471</u>
Municipal Criminal Justice Account Appropriation....		\$	32,042,450
County Public Health Account Appropriation.....		\$	43,773,588
TOTAL APPROPRIATION.....		\$	(( <del>923,114,222</del> ))
			<u>923,196,222</u>

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**Sec. 802.** 1997 c 149 s 803 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--TRANSFERS**

General Fund: For transfer to the Water Quality Account.....	\$	26,607,000
General Fund: For transfer to the Flood Control Assistance Account.....	\$	4,000,000
State Convention and Trade Center Account: For transfer to the State Convention and Trade Center Operations Account.....	\$	3,877,000
Water Quality Account: For transfer to the Water Pollution Control Account. Transfers shall be made at intervals coinciding with deposits of federal capitalization grant money into the account. The amounts transferred shall not exceed the match required for each federal deposit.....	\$	21,688,000
State Treasurer's Service Account: For transfer to the general fund on or before June 30, 1999 an amount up to \$3,600,000 in excess of the cash requirements of the State Treasurer's Service Account.....	\$	3,600,000
<del>((Health Services Account: For transfer to the County Public Health Account.....</del>	<del>\$</del>	<del>2,250,000))</del>
Public Works Assistance Account: For transfer to the Drinking Water Assistance Account.....	\$	9,949,000
<u>County Sales and Use Tax Equalization Account:</u>		

For transfer to the County Public Health

Account..... \$ 1,686,000

(End of part)

**PART IX**  
**MISCELLANEOUS**

**Sec. 901.** RCW 43.79.445 and 1995 c 398 s 9 are each amended to read as follows:

There is established an account in the state treasury referred to as the "death investigations((+)) account" which shall exist for the purpose of receiving, holding, investing, and disbursing funds appropriated or provided in RCW 70.58.107 and any moneys appropriated or otherwise provided thereafter.

Moneys in the death investigations((+)) account shall be disbursed by the state treasurer once every year on December 31 and at any other time determined by the treasurer. The treasurer shall make disbursements to: The state toxicology laboratory, counties for the cost of autopsies, the University of Washington to fund the state forensic pathology fellowship program, the state patrol for providing partial funding for the state dental identification system, the criminal justice training commission for training county coroners, medical examiners and their staff, and the state forensic investigations council. Funds from the death investigations account may be appropriated during the 1997-99 biennium for the purposes of state-wide child mortality reviews administered by the department of health.

The University of Washington and the Washington state forensic investigations council shall jointly determine the yearly amount for the state forensic pathology fellowship program established by RCW 28B.20.426.

**\*NEW SECTION. Sec. 902. No funding appropriated in this act shall be expended to support the governor's council on environmental education.**

**\*Sec. 902 was vetoed. See message at end of chapter.**

(End of part)

**PART X**  
**GENERAL GOVERNMENT**

**Sec. 1001.** 1996 c 283 s 106 (uncodified) is amended to read as follows:

**FOR THE LAW LIBRARY**

General Fund Appropriation (FY 1996).....	\$	1,607,000
General Fund Appropriation (FY 1997).....	\$	(( <del>1,597,000</del> ))
		<u>1,608,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>3,204,000</del> ))
		<u>3,215,000</u>

**Sec. 1002.** 1996 c 283 s 109 (uncodified) is amended to read as follows:

**FOR THE ADMINISTRATOR FOR THE COURTS**

General Fund Appropriation (FY 1996).....	\$	11,658,000
General Fund Appropriation (FY 1997).....	\$	11,832,000
Public Safety and Education Account-- <u>State</u>		
Appropriation.....	\$	36,605,000
<u>Public Safety and Education Account--Private/Local</u>		
<u>Appropriation</u> .....	\$	<u>4,000</u>
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$	35,000
Judicial Information Systems Account		
Appropriation.....	\$	13,074,000
TOTAL APPROPRIATION.....	\$	(( <del>73,204,000</del> ))
		<u>73,208,000</u>

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

(1) Funding provided in the judicial information systems account shall be used to fund computer systems for the supreme court, the court of appeals, and the office of the administrator for the courts. Expanding services to the courts, technology improvements, and criminal justice proposals shall receive priority consideration for the use of these funds.

(2) \$63,000 of the general fund appropriation is provided solely to implement Second Substitute Senate Bill No. 5235 (judgeship for

Clark county). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(3) \$6,510,000 of the public safety and education account appropriation is provided solely for the continuation of treatment alternatives to street crimes (TASC) programs in Pierce, Snohomish, Clark, King, Spokane, and Yakima counties.

~~(4) ((\$9,326,000 of the public safety and education account is provided solely for the indigent appeals program.~~

~~(5))~~ (5) \$26,000 of the public safety and education account and \$1,385,000 of the judicial information systems account are to implement Engrossed Substitute Senate Bill No. 5219 (domestic violence). If the bill is not enacted by June 30, 1995, the amounts provided in this subsection shall lapse.

~~(6))~~ (5) \$138,000 of the public safety and education account is provided solely for Thurston county impact costs.

~~(7))~~ (6) \$223,000 of the public safety and education account is provided solely for the gender and justice commission.

~~(8))~~ (7) \$308,000 of the public safety and education account appropriation is provided solely for the minority and justice commission.

~~(9))~~ (8) No moneys appropriated in this section may be expended by the administrator for the courts for payments in excess of fifty percent of the employer contribution on behalf of superior court judges for insurance and health care plans and federal social security and medicare and medical aid benefits. Consistent with Article IV, section 13 of the state Constitution and 1996 Attorney General's Opinion No. 2, it is the intent of the legislature that the cost of these employer contributions shall be shared equally between the state and the county or counties in which the judges serve. The administrator for the courts shall establish procedures for the collection and disbursement of these employer contributions.

~~(11))~~ (9) \$35,000 of the violence reduction and drug enforcement account appropriation is provided solely to contract with the Washington state institute for public policy to collect data and information from jurisdictions within the state of Washington and outside the state of Washington, including other nations, that have experience with developing protocols and training standards for investigating child sexual abuse. The Washington state institute for public policy shall report to the legislature on the results of this study no later than December 1, 1996.

**Sec. 1003.** 1995 2nd sp.s. c 18 s 116 (uncodified) is amended to read as follows:

**FOR THE LIEUTENANT GOVERNOR**

General Fund Appropriation (FY 1996).....	\$	242,000
General Fund Appropriation (FY 1997).....	\$	<del>((243,000))</del>
		<u>276,000</u>
TOTAL APPROPRIATION.....	\$	<del>((485,000))</del>
		<u>518,000</u>

**Sec. 1004.** 1996 c 283 s 113 (uncodified) is amended to read as follows:

**FOR THE PUBLIC DISCLOSURE COMMISSION**

General Fund Appropriation (FY 1996).....	\$	1,125,000
General Fund Appropriation (FY 1997).....	\$	<del>((1,051,000))</del>
		<u>1,183,000</u>
Industrial Insurance Premium Refund Account		
Appropriation.....	\$	725
TOTAL APPROPRIATION.....	\$	<del>((2,176,725))</del>
		<u>2,308,725</u>

**Sec. 1005.** 1996 c 283 s 114 (uncodified) is amended to read as follows:

**FOR THE SECRETARY OF STATE**

General Fund Appropriation (FY 1996).....	\$	10,857,000
General Fund Appropriation (FY 1997).....	\$	<del>((5,992,000))</del>
		<u>6,182,000</u>
Archives and Records Management Account		
Appropriation.....	\$	5,215,000
Department of Personnel Service Account		
Appropriation.....	\$	647,000
TOTAL APPROPRIATION.....	\$	<del>((22,711,000))</del>
		<u>22,901,000</u>

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

(1) \$5,559,975 of the general fund appropriation is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures.

(2) \$((~~5,233,762~~)) 5,403,762 of the general fund appropriation is provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, legal advertising of state measures, and the publication and distribution of the voters and candidates pamphlet.

(3) \$140,000 of the general fund appropriation is provided solely for the state's participation in the United States census block boundary suggestion program.

(4) \$1,440,000 of the archives and records management account appropriation is provided solely for records services to local governments under Senate Bill No. 6718 and shall be paid solely out of revenue collected under that bill. If the bill is not enacted by June 30, 1996, the amount provided in this subsection shall lapse.

(5) \$10,000 of the archives and records management account appropriation is provided solely for the purposes of Substitute House Bill No. 1497 (preservation of electronic public records).

(6) \$20,000 of the general fund appropriation for fiscal year 1997 is provided solely for the state's participation in the United States census block boundary suggestion program to update precinct and other geographical data to facilitate the 2000 census and redistricting process.

**Sec. 1006.** 1996 c 283 s 116 (uncodified) is amended to read as follows:

**FOR THE STATE AUDITOR**

General Fund Appropriation (FY 1996).....	\$	78,000
General Fund Appropriation (FY 1997).....	\$	430,000
Auditing Services Revolving Account		
Appropriation.....	\$	(( <del>11,814,000</del> ))
		<u>11,965,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>12,322,000</del> ))
		<u>12,473,000</u>

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

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

(2) The state auditor, in consultation with the legislative budget committee, shall conduct a performance audit of the state investment board. In conducting the audit, the state auditor shall: (a) Establish and publish a schedule of the performance audit and shall solicit public comments relative to the operations of the state investment board at least three months prior to conducting the scheduled performance audit; (b) under the provisions of chapter 39.29 RCW, obtain and utilize a private firm to conduct the audit. The firm selected shall utilize professional staff possessing the education, training, and practical experience in auditing private and governmental entities responsible for the investment of funds necessary to capably conduct the audit required by this subsection. The firm selected for the audit shall determine the extent to which the state investment board is operating consistently with the performance audit measures developed by the state auditor, acting together with the board, the legislative budget committee, the office of financial management, the state treasurer, and other state agencies, as appropriate. The audit measures shall incorporate appropriate institutional investment industry criteria for measuring management practices and operations. The firm shall recommend in its report any actions deemed appropriate that the board can take to operate more consistently with such measures. The cost of the performance audit conducted shall be paid by the board from nonappropriated investment earnings.

(3) \$486,000 of the general fund appropriation is provided solely for staff and related costs to audit special education programs that exhibit unusual rates of growth, extraordinarily high costs, or other characteristics requiring attention of the state safety net committee. The auditor shall consult with the superintendent of public instruction regarding training and other staffing assistance needed to provide expertise to the audit staff.

**Sec. 1007.** 1996 c 283 s 121 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

General Fund--State Appropriation (FY 1996)....	\$	49,164,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((55,149,000))</del>
		<u>55,441,000</u>

General	Fund--Federal
Appropriation.....	\$ .....
149,005,000	
General Fund--Private/Local Appropriation.....	\$ (( <del>4,290,000</del> ))
	<u>4,499,000</u>
Public Safety and Education Account	
Appropriation.....	\$ 8,764,000
Waste Reduction, Recycling, and Litter Control	
Account Appropriation.....	\$ 2,206,000
Washington Marketplace Program Account	
Appropriation.....	\$ 150,000
Public Works Assistance Account	
Appropriation.....	\$ 1,166,000
Building Code Council Account	
Appropriation.....	\$ 1,289,000
Administrative Contingency Account	
Appropriation.....	\$ 1,776,000
Low-Income Weatherization Assistance Account	
Appropriation.....	\$ 923,000
Violence Reduction and Drug Enforcement Account	
Appropriation.....	\$ 6,027,000
Manufactured Home Installation Training Account	
Appropriation.....	\$ 250,000
Washington Housing Trust Account	
Appropriation.....	\$ 7,986,000
Public Facility Construction Revolving Account	
Appropriation.....	\$ 238,000
Solid Waste Management Account Appropriation...	\$ 700,000
Vehicle Tire Recycling Account Appropriation...	\$ 499,000
Growth Management Planning and Environmental	
Review Fund Appropriation.....	\$ 3,000,000
TOTAL APPROPRIATION.....	\$ (( <del>293,582,000</del> ))
	<u>293,083,000</u>

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

(1) \$6,065,000 of the general fund--state appropriation is provided solely for a contract with the Washington technology center. For work essential to the mission of the Washington technology center and conducted in partnership with universities, the

center shall not pay any increased indirect rate nor increases in other indirect charges above the absolute amount paid during the 1993-95 biennium.

(2) \$538,000 of the general fund--state appropriation is provided solely to implement Substitute House Bill No. 1724 (growth management).

(3) \$1,000,000 of the general fund--state appropriation is provided to offset reductions in federal community services block grant funding for community action agencies. The department shall set aside \$3,800,000 of federal community development block grant funds for distribution to local governments to allocate to community action agencies state-wide.

(4) \$8,915,000 of the general fund--federal appropriation is provided solely for the drug control and system improvement formula grant program, to be distributed in state fiscal year 1996 as follows:

(a) \$3,603,250 to local units of government to continue multijurisdictional drug task forces;

(b) \$934,000 to the Washington state patrol for coordination, technical assistance, and investigative and supervisory staff support for multijurisdictional narcotics task forces;

(c) \$456,000 to the department to continue the state-wide drug prosecution assistance program;

(d) \$93,000 to the department to continue a substance-abuse treatment in jails program, to test the effect of treatment on future criminal behavior;

(e) \$744,000 to the department to continue the youth violence prevention and intervention projects;

(f) \$240,000 to the department for grants to support tribal law enforcement needs;

(g) \$495,000 is provided to the Washington state patrol for a state-wide integrated narcotics system;

(h) \$538,000 to the department for grant administration and program evaluation, monitoring, and reporting, pursuant to federal requirements;

(i) \$51,000 to the Washington state patrol for data collection;

(j) \$445,750 to the office of financial management for the criminal history records improvement program;

(k) \$42,000 to the department to support local services to victims of domestic violence;

(l) \$300,000 to the department of community, trade, and economic development for domestic violence legal advocacy;

(m) \$300,000 to the department of community, trade, and economic development for grants to provide a defender training program; and

(n) \$673,000 to the department of corrections for the expansion of correctional industries projects that place inmates in a realistic working and training environment.

(5) \$8,699,000 of the general fund--federal appropriation is provided solely for the drug control and system improvement formula grant program, to be distributed in state fiscal year 1997 as follows:

(a) \$3,600,000 to local units of government to continue multijurisdictional narcotics task forces;

(b) \$934,000 to the Washington state patrol for coordination, technical assistance, and investigative and supervisory support staff for multijurisdictional narcotics task forces;

(c) \$500,000 to the department to continue the state-wide drug prosecution assistance program in support of multijurisdictional narcotics task forces;

(d) \$450,000 to drug courts in eastern and western Washington;

(e) \$744,000 to the department to continue the youth violence prevention and intervention projects;

(f) \$93,000 to the department to continue a substance-abuse treatment in jails program to test the effect of treatment on future criminal behavior;

(g) \$42,000 to the department to provide training to local law enforcement officers, prosecutors, and domestic violence experts on domestic violence laws and procedures;

(h) \$300,000 to the department to support local services to victims of domestic violence;

(i) \$240,000 to the department for grants to support tribal law enforcement needs;

(j) \$300,000 to the department for grants to provide juvenile sentencing alternative training programs to defenders;

(k) \$560,000 to the department for grant administration, evaluation, monitoring, and reporting on Byrne grant programs, and the governor's council on substance abuse;

(l) \$435,000 to the office of financial management for the criminal history records improvement program;

(m) \$51,000 to the Washington state patrol for data collection;  
and

(n) \$450,000 to the department of corrections for the expansion of correctional industries projects that place inmates in a realistic working and training environment.

If additional funds become available or if any funds remain unexpended for the drug control and system improvement formula grant program under this subsection, up to \$95,000 additional may be used for the operation of the governor's council on substance abuse, including implementation of the recommendations of the legislative budget committee report on drug and alcohol abuse programs.

(6) \$3,960,000 of the public safety and education account appropriation is provided solely for the office of crime victims' advocacy.

(7) \$216,000 of the general fund--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1010 (regulatory reform). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(8) \$200,000 of the general fund--state appropriation is provided solely as a grant for the community connections program in Walla Walla county.

(9) \$30,000 of the Washington housing trust account appropriation is provided solely for the department to conduct an assessment of the per square foot cost associated with constructing or rehabilitating buildings financed by the housing trust fund for low-income housing. The department may contract with specially trained teams to conduct this assessment. The department shall report to the legislature by December 31, 1995. The report shall include:

(a) The per square foot cost of each type of housing unit financed by the housing trust fund;

(b) An assessment of the factors that affect the per square foot cost;

(c) Recommendations for reducing the per square foot cost, if possible;

(d) Guidelines for housing costs per person assisted; and

(e) Other relevant information.

(10) \$350,000 of the general fund--state appropriation is provided solely for the retired senior volunteer program.

(11) \$300,000 of the general fund--state appropriation is provided solely to implement House Bill No. 1687 (court-appointed special advocates). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(12) \$50,000 of the general fund--state appropriation is provided solely for the purpose of a feasibility study of the infrastructure, logistical, and informational needs for the region involving Washington, Oregon, and British Columbia to host the summer Olympic Games in the year 2004 or 2008. The feasibility study shall be conducted using the services of a nonprofit corporation currently pursuing and having shown progress toward this purpose. The amount provided in this subsection may be expended only to the extent that it is matched on a dollar-for-dollar basis by funds for the same purpose from nonstate sources.

(13) \$100,000 of the general fund--state appropriation is provided solely as a grant to a nonprofit organization for costs associated with development of the Columbia Breaks Fire Interpretive Center.

(14) \$100,000 of the general fund--state appropriation is provided solely for the Pierce county long-term care ombudsman program.

(15) \$60,000 of the general fund--state appropriation is provided solely for the Pacific Northwest economic region.

(16) \$500,000 of the general fund--state appropriation is provided solely for distribution to the city of Burien for analysis of the proposed Port of Seattle third runway including preparation of a draft environmental impact statement and other technical studies. The amount provided in this subsection shall not be expended directly or indirectly for litigation, public relations, or any form of consulting services for the purposes of opposing the construction of the proposed third runway.

(17) Not more than \$458,000 of the general fund--state appropriation may be expended for the operation of the Pacific northwest export assistance project. The department will continue to implement a plan for assessing fees for services provided by the project. It is the intent of the legislature that the revenues raised to defray the expenditures of this program will be increased to fifty percent of the expenditures in fiscal year 1996 and seventy-five percent of the expenditures in fiscal year 1997. Beginning in fiscal year 1998, the legislature intends that this program will be fully self-supporting.

(18) \$4,804,000 of the public safety and education account appropriation is provided solely for contracts with qualified legal aid programs for civil indigent legal representation pursuant to RCW 43.08.260. It is the intent of the legislature to ensure that legal aid programs receiving funds appropriated in this act pursuant to RCW

43.08.260 comply with all applicable restrictions on use of these funds. To this end, during the 1995-97 fiscal biennium the department shall monitor compliance with the authorizing legislation, shall oversee the implementation of this subsection, and shall report directly to the appropriations committee of the house of representatives and the ways and means committee of the senate.

(a) It is the intent of the legislature to improve communications between legal aid programs and persons affected by the activities of legal aid programs. There is established for the 1995-97 fiscal biennium a task force on agricultural interests/legal aid relations. The task force shall promote better understanding and cooperation between agricultural interests and legal aid programs and shall provide a forum for discussion of issues of common concern. The task force shall not involve itself in pending litigation.

(i) The task force shall consist of the following sixteen members: Four representatives of agricultural organizations, to be appointed by the legislator members; two individuals who represent the corresponding interests of legal clients, to be appointed by organizations designated by the three legal services programs; two representatives of Evergreen Legal Services, to be appointed by its board of directors; one representative each from Puget Sound Legal Assistance Foundation and Spokane Legal Services Center, each to be appointed by its directors; one member from each of the majority and minority caucuses of the house of representatives, to be appointed by the speaker of the house of representatives; one member from each of the majority and minority caucuses of the senate, to be appointed by the president of the senate; and two members of the supreme court-appointed access to justice board, to be appointed by the board. During fiscal year 1996, the task force shall be chaired by a legislative member, to be selected by the task force members. During fiscal year 1997, the committee shall be chaired by a nonlegislator member, to be selected by the task force members.

(ii) All costs associated with the meetings shall be borne by the individual task force members or by the organizations that the individuals represent. No task force member shall be eligible for reimbursement of expenses under RCW 43.03.050 or 43.03.060. Nothing in this subsection prevents the legal aid programs from using funds appropriated in this act to reimburse their representatives or the individuals representing legal clients.

(iii) The task force will meet at least four times during the first year of the biennium and as frequently as necessary thereafter at mutually agreed upon times and locations. Any member of the task force may place items on meeting agendas. Members present at the first two task force meetings shall agree upon a format for subsequent meetings.

(b) The legislature recognizes that farmworkers have the right to receive basic information and to consult with attorneys at farm labor camps without fear of intimidation or retaliation. It is the intent of the legislature and in the interest of the public to ensure the safety of all persons affected by legal aid programs' farm labor camp outreach activities. Legal aid program employees have the legal right to enter the common areas of a labor camp or to request permission of employees to enter their dwellings. Employees living in grower supplied housing have the right to refuse entry to anyone including attorneys unless they have a warrant. Individual employees living in employer supplied housing do not have the right to force legal aid program employees to leave common areas of housing (outside) as long as one person who resides in the associated dwellings wants that person to be there. Any legal aid program employee wishing to visit employees housed on grower property has the right to enter the driveway commonly used by the housing occupants. This means that if agricultural employees must use a grower's personal driveway to get to their housing, legal aid program employees also may use that driveway to access the housing without a warrant so long as at least some of the housing is occupied. When conducting outreach activities that involve entry onto labor camps, legal aid programs shall establish and abide by policies regarding conduct of outreach activities. The policies shall include a requirement that legal aid program employees identify themselves to persons whom they encounter at farm labor camps. The legal aid programs shall provide copies of their current outreach policies to known agricultural organizations and shall provide copies upon request to any owner of property on which farmworkers are housed. Legal aid program employees involved in outreach activities shall attempt to inform operators of licensed farm labor camps or their agents, and known grower organizations of the approximate time frame for outreach activities and shall cooperate with operators of farm labor camps at which farmworkers are housed in assuring compliance with all pertinent laws and ordinances, including those related to trespass and harassment. Employers who believe that

Evergreen Legal Services Outreach Guidelines have been violated shall promptly provide all available information on the alleged violation to the director of Evergreen Legal Services and to the chair of the Task Force on Agricultural Interests/Legal Aid Relations. Evergreen Legal Services will promptly investigate any alleged violations of the outreach guidelines and inform the complaining party of the result. If the resolution of the investigation is not satisfactory to the complainant, the matter shall be placed on the Task Force agenda for discussion at the next scheduled meeting. Employers who believe that Evergreen Legal Services staff members have trespassed should immediately contact local law enforcement authorities.

(c) It is the intent of the legislature to provide the greatest amount of legal services to the largest number of clients by discouraging inefficient use of state funding for indigent legal representation. To this end, it is the intent of the legislature that, prior to the commencement of litigation against any private employer relating to the terms and conditions of employment legal aid programs receiving funds appropriated in this act make good faith written demand for the requested relief, a good faith offer of settlement or an offer to submit to nonbinding arbitration prior to filing a lawsuit, unless the making of the offer is, in the opinion of the director of the legal services program or his/her designee, clearly prejudicial to: (i) The health, safety, or security of the client; or (ii) the timely availability of judicial relief. The director of the legal aid program may designate not more than two persons for purposes of making the determination of prejudice permitted by this section.

(d)(i) The legislature encourages legal aid programs to devote their state and nonstate funding to the basic, daily legal needs of indigent persons. No funds appropriated under this act may be used for legal representation and activities outside the scope of RCW 43.08.260.

(ii) No funds appropriated in this act may be used for lobbying as defined in RCW 43.08.260(3). Legal aid programs receiving funds appropriated in this act shall comply with all restrictions on lobbying contained in Federal Legal Services Corporation Act (P.L. 99-951) and regulations promulgated thereunder.

(e) No funds appropriated in this act may be used by legal aid programs for representation of undocumented aliens.

(f) The legislature recognizes the duty of legal aid programs to preserve inviolate and prevent the disclosure of, in the absence of knowing and voluntary client consent, client information protected by the United States Constitution, the Washington Constitution, the attorney-client privilege, or any applicable attorney rule of professional conduct. However, to the extent permitted by applicable law, legal aid programs receiving funds appropriated in this act shall, upon request, provide information on their activities to the department and to legislators for purposes of monitoring compliance with authorizing legislation and this subsection.

(g) Nothing in this subsection is intended to limit the authority of existing entities, including but not limited to the Washington state bar association, the public disclosure commission, and the Federal Legal Services Corporation, to resolve complaints or disputes within their jurisdiction.

(19) \$839,000 of the general fund--state appropriation is provided solely for energy-related functions transferred by Fourth Substitute House Bill No. 2009 (state energy office). Of this amount:

(a) \$379,000 is provided solely for expenses related to vacation leave buyout and unemployment payments resulting from the closure of the state energy office;

(b) \$44,000 is provided solely for extended insurance benefits for employees separated as a result of Fourth Substitute House Bill No. 2009. An eligible employee may receive a state subsidy of \$150 per month toward his or her insurance benefits purchased under the federal consolidated omnibus budget reconciliation act (COBRA) for a period not to exceed one year from the date of separation;

(c) \$120,000 is provided solely for costs of closing out the financial reporting systems and contract obligations of the state energy office, and to connect the department's wide area network to workstations in the energy office building; and

(d) \$296,000 is provided to match oil surcharge funding for energy policy and planning staff.

(20) \$2,614,000 of the general fund--private/local appropriation is provided solely to operate the energy facility site evaluation council.

(21) \$1,000,000 of the general fund--state appropriation is provided solely to increase state matching funds for the federal headstart program.

(22) \$2,000,000 of the general fund--federal appropriation is provided solely to develop and operate housing for low-income farmworkers. The housing assistance program shall administer the funds in accordance with chapter 43.185 RCW. The department of community, trade, and economic development shall work in cooperation with the department of health, the department of labor and industries, and the department of social and health services to review proposals and make recommendations to the funding approval board that oversees the distribution of housing assistance program funds. An advisory group representing growers, farmworkers, and other interested parties shall be formed to assist the interagency workgroup.

(23) \$1,865,000 of the general fund--state appropriation is provided solely for the delivery of services to victims of sexual assault as provided for by Substitute House Bill No. 2579 (sexual abuse victims). The department shall establish an interagency agreement with the department of social and health services for the transfer of funds made available under the federal victims of crime act for the purposes of implementing Substitute House Bill No. 2579. If the bill is not enacted by June 30, 1996, the requirements of this subsection shall be null and void and the amount provided in this subsection shall lapse.

(24) \$1,000,000 of the general fund--state appropriation is provided solely for the tourism development program.

~~((26))~~ (25) \$3,862,000 of the general fund--state appropriation is provided solely to increase the number of children served through the early childhood education and assistance program. These funds shall be used to serve children that are on waiting lists to enroll in the federal headstart program or the state early childhood education and assistance program.

~~((27))~~ (26) \$25,000 of the general fund--state appropriation is provided solely for a grant to the city of Burien to study the feasibility of purchasing property within the city for park purposes.

~~((28))~~ (27) \$100,000 of the general fund--state appropriation is provided solely for Washington state dues for the Pacific Northwest economic region (PNWER) and to support the PNWER CATALIST program.

(28) \$50,000 of the general fund--state appropriation for fiscal year 1997 is provided solely for the state of Washington's contribution to the construction of a women veterans memorial in Washington, D.C.

**Sec. 1008.** 1996 c 283 s 124 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund--State Appropriation (FY 1996) ...	\$	9,282,000
General Fund--State Appropriation (FY 1997)....	\$	9,588,000
General		Fund--Federal
Appropriation.....	\$.....	
..... (( <del>12,432,000</del> ))		
		<u>13,865,000</u>
General Fund--Private/Local Appropriation.....	\$	720,000
Health Services Account Appropriation.....	\$	330,000
Public Safety and Education Account		
Appropriation.....	\$	200,000
TOTAL APPROPRIATION.....	\$	(( <del>32,552,000</del> ))
		<u>33,985,000</u>

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

(1) \$300,000 of the general fund--state appropriation is provided solely as the state's share of funding for the "Americorps" youth employment program.

(2) By December 20, 1996, the office of financial management shall report to the government operations and fiscal committees of the legislature on the implementation of chapter 40.07 RCW, relating to the management and control of state publications. The report shall include recommendations concerning the use of alternative methods of distribution, including electronic publication, of agency reports and other publications and notices.

~~((3) \$250,000 of the general fund state appropriation is provided solely for technical assistance to state agencies in the development of performance measurements pursuant to Engrossed Substitute Senate Bill No. 6680. If the bill is not enacted by June 30, 1996, the amount provided in this subsection shall lapse.))~~

**Sec. 1009.** 1996 c 283 s 132 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF INFORMATION SERVICES**

K-20 Technology Account Appropriation.....	\$	27,000,000
State Building Construction Account		
Appropriation.....	\$	15,300,000

TOTAL APPROPRIATION..... \$ ((54,300,000))  
42,300,000

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

(1) The appropriations in this section shall be expended in accordance with Senate Bill No. 6705 (higher education technology plan).

(2) \$((27,000,000)) 37,678,000 is appropriated from the general fund for deposit in the K-20 technology account for the purposes of this section.

(3) \$1,500,000 is appropriated from the general fund for deposit in the education and technology revolving fund for the purposes of capitalizing the revolving fund established in Senate Bill No. 6004 or House Bill No. 2197.

(4) Expenditures of the funds from the state building construction account appropriation may be made only for capital purposes. Acquisitions made from these funds shall meet the criteria of bondability guidelines published by the office of financial management in the capital budget instruction manual. Any moneys remaining unexpended from the state building construction account appropriation on June 30, 1997, shall be deposited in the K-20 technology account.

(5) If Senate Bill No. 6705 is not enacted by June 30, 1996, the appropriations in this section shall lapse.

**Sec. 1010.** 1996 c 283 s 133 (uncodified) is amended to read as follows:

**FOR THE LIQUOR CONTROL BOARD**

Liquor Revolving Account Appropriation..... \$ ((113,604,000))  
113,652,000

Liquor Control Board Construction and Maintenance

Account Appropriation..... \$ 534,000  
TOTAL APPROPRIATION..... \$ 114,186,000

The appropriation in this section is subject to the following conditions and limitations: \$143,000 of the liquor control revolving account appropriation for administrative expenses is provided solely for implementation of House Bill No. 2341 (credit card sales pilot

program). If the bill is not enacted by June 30, 1996, this amount shall lapse.

**Sec. 1011.** 1996 c 283 s 135 (uncodified) is amended to read as follows:

**FOR THE MILITARY DEPARTMENT**

General Fund--State Appropriation (FY 1996)....	\$	7,594,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((7,597,000))</del>
		<u>26,803,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
.....		<del>((129,215,000))</del>
		<u>127,215,000</u>
General Fund--Private/Local Appropriation.....	\$	237,000
Enhanced 911 Account Appropriation.....	\$	26,781,000
Industrial Insurance Premium Refund Account		
Appropriation.....	\$	34,000
Flood Control Assistance Account Appropriation.	\$	<del>((23,181,000))</del>
		<u>20,181,000</u>
<u>Disaster Response Account--State</u>		
<u>Appropriation</u> .....	\$	<u>3,226,000</u>
<u>Disaster Response Account--Federal</u>		
<u>Appropriation</u> .....	\$	<u>18,871,000</u>
TOTAL APPROPRIATION.....	\$	<del>((194,639,000))</del>
		<u>230,942,000</u>

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

(1) \$205,238 of the total appropriation is provided solely to pay loan obligations on the energy partnership contract number 90-07-01. This obligation includes unpaid installments from September 1993 through June 1997. This amount may be reduced by any payments made in the 1993-95 Biennium on installments made in the 1993-95 Biennium on installments due between September 1993 and June 1995.

(2) \$70,000 of the general fund--state appropriation is provided solely for the north county emergency medical service.

(3) \$~~((23,181,000))~~ 20,181,000 of the flood control assistance account appropriation is provided solely for state and local response and recovery cost associated with federal emergency management agency (FEMA) Disaster Number 1079 (November/December 1995 storms), FEMA

Disaster 1100, (February 1996 floods), and for prior biennia disaster recovery costs. (~~Of this amount, \$1,078,000 is for prior disasters, \$3,618,000 is for the November/December 1995 storms, and \$18,485,000 is for the February 1996 floods.~~)

(4) \$3,226,000 of the disaster response account--state appropriation is provided solely for the state share of response and recovery costs associated with federal emergency management agency (FEMA) disaster number 1152 (November 1996 ice storm), FEMA disaster 1159 (December 1996 holiday storm), and FEMA 1172 (March 1997 floods).

(5) \$18,006,000 of the general fund--state appropriation for fiscal year 1997 is provided solely for deposit in the disaster response account to cover costs associated with natural disasters sustained in the 1995-97 biennium.

**Sec. 1012.** 1995 2nd sp.s. c 18 s 145 (uncodified) is amended to read as follows:

**FOR THE INSURANCE COMMISSIONER**

General		Fund--Federal
Appropriation.....	\$.....	.....
..... (( <del>104,000</del> ))		
		<u>141,000</u>
Insurance Commissioner's Regulatory Account		
Appropriation.....	\$ (( <del>20,126,000</del> ))	
		<u>20,194,000</u>
TOTAL APPROPRIATION.....	\$ (( <del>20,230,000</del> ))	
		<u>20,335,000</u>

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

(1) The insurance commissioner shall obtain the approval of the department of information services for any feasibility plan for proposed technology improvements.

(2) \$895,000 of the insurance commissioner's regulatory account appropriation is provided solely for implementing Engrossed Substitute House Bill No. 1010 (regulatory reform). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(End of part)

**PART XI**  
**HUMAN SERVICES**

**Sec. 1101.** 1996 c 283 s 201 (uncodified) is amended to read as follows:

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

(2) The department of social and health services shall not initiate any services that will 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 appropriations in sections 202 through (~~(211)~~) 213 of chapter 18, Laws of 1995 2nd sp. sess. as amended, shall be expended for the programs and in the amounts listed in those sections. However, after May 1, (~~(1996)~~) 1997, unless specifically prohibited by this act, the department may transfer (~~(general fund state appropriations for fiscal year 1996)~~) moneys among programs after approval by the director of financial management. The director of financial management shall notify the appropriate fiscal committees

of the senate and house of representatives in writing prior to approving any deviations from the appropriation levels.

(4) The department shall use up to \$4,987,000 by which general fund--state expenditures are below allotted levels to replace federal social service block grant funds during fiscal year 1996.

**Sec. 1102.** 1996 c 283 s 202 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 1996)....	\$	146,537,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((173,376,000))</del>
		<u>180,159,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
.....		<del>((272,379,000))</del>
		<u>274,431,000</u>
General Fund--Private/Local Appropriation.....	\$	400,000
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$	5,719,000
TOTAL APPROPRIATION.....	\$	<del>((598,411,000))</del>
		<u>607,246,000</u>

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

(1) \$1,660,000 of the general fund--state appropriation for fiscal year 1996 and \$10,086,000 of the general fund--federal appropriation are provided solely for the modification of the case and management information system (CAMIS). Authority to expend these funds is conditioned on compliance with section 902 of this act.

(2) \$~~((5,524,000))~~ 1,524,000 of the general fund--state appropriation is provided solely to implement the division's responsibilities under Engrossed Second Substitute Senate Bill No. 5439 (nonoffender at-risk youth). Of this amount:

(a) \$150,000 of the general fund--state appropriation is provided in fiscal year 1996 to develop a plan for children at risk. The department shall work with a variety of service providers and community representatives, including the community public health and safety networks, and shall present the plan to the legislature and the governor by December 1, 1995. The plan shall contain a strategy for

the development of an intensive treatment system with outcome-based information on the level of services that are achievable under an annual appropriation of \$5,000,000, \$7,000,000, and \$9,000,000; address the issue of chronic runaways; and determine caseload impacts.

(b) \$219,000 of the general fund--state appropriation is provided in fiscal year 1996 and ~~\$(4,678,000)~~ 678,000 of the general fund--state appropriation is provided in fiscal year 1997 for crisis residential center training and administrative duties and secure crisis residential center contracts.

(c) \$266,000 of the general fund--state appropriation is provided for the multidisciplinary teams and \$211,000 of the general fund--state appropriation is provided in fiscal year 1997 for family reconciliation services.

(d) The state may enter into agreements with the counties to provide residential and treatment services to runaway youth at a rate of reimbursement to be negotiated by the state and county.

(3) \$1,997,000 of the violence reduction and drug enforcement account appropriation and \$8,421,000 of the general fund--federal appropriation are provided solely for the operation of the family policy council, the community public health and safety networks, and delivery of services authorized under the federal family preservation and support act. Of these amounts:

(a) \$1,060,000 of the violence reduction and drug enforcement account appropriation is provided solely for distribution to the community public health and safety networks for planning in fiscal year 1996.

(b) \$937,000 of the violence reduction and drug enforcement account appropriation is provided for staff in the children and family services division of the department of social and health services to support family policy council activities. The family policy council is directed to provide training, design, technical assistance, consultation, and direct service dollars to the networks. Of this amount, \$300,000 is provided for the evaluation activities outlined in RCW 70.190.050, to be conducted exclusively by the Washington state institute for public policy. To the extent that private funds can be raised for the evaluation activities, the state funding may be retained by the department to support the family policy council activities.

(c) \$8,421,000 of the general fund--federal appropriation is provided solely for the delivery of services authorized by the federal family preservation and support act.

(4) \$2,575,000 of the general fund--state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5885 (family preservation services). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse. Of this amount:

(a) \$75,000 is provided in fiscal year 1996 to develop an implementation and evaluation plan for providing intensive family preservation services and family preservation services. The department shall present the plan to the legislature and the governor no later than December 1, 1995. The plan shall contain outcome based information on the level of services that are achievable under an annual appropriation of \$3,000,000, \$5,000,000, and \$7,000,000; and

(b) \$2,500,000 is provided in fiscal year 1997 for additional family preservation services based upon the report.

(5) \$4,646,000 of the general fund--state is provided solely to increase payment rates to contracted social services providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(6) \$2,672,000 of the general fund--state is provided solely to increase payment rates to contracted social services child care providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(7) \$854,000 of the violence reduction and drug enforcement account appropriation and \$300,000 of the general fund--state appropriation are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to twelve children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility also shall provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the

facility. The department shall not require case management as a condition of the contract.

(8) \$700,000 of the general fund--state appropriation and \$262,000 of the violence reduction and drug enforcement account appropriation are provided solely for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or have successfully performed under the existing pediatric interim care program.

(9) \$5,613,000 of the general fund--state appropriation is provided solely for implementation of chapter 312, Laws of 1995 and Second Substitute House Bill No. 2217 (at-risk youth). If the bill is not enacted by June 30, 1996, the amount provided in this subsection shall lapse. Of this amount:

(a) \$1,000,000 of the general fund--state appropriation is provided solely for court-ordered secure treatment of at-risk youth as provided for in section 3 of Second Substitute House Bill No. 2217 (at-risk youth);

(b) \$573,000 of the general fund--state appropriation is provided solely for increased family reconciliation services;

(c) \$500,000 of the general fund--state appropriation is provided solely for therapeutic child care;

(d) \$2,300,000 of the general fund--state appropriation is provided solely for the juvenile court administrators to process petitions for truancy, children in need of services, and at-risk youth;

(e) \$240,000 of the general fund--state appropriation is provided solely for crisis residential center assessments of at-risk youth; and

(f) \$1,000,000 of the general fund--state appropriation shall be allocated to the superintendent of public instruction for competitive grants to assist the operation of community truancy boards established by school districts pursuant to RCW 28A.225.025.

(10) \$2,000,000 of the general fund--state appropriation is provided solely for implementation of chapter 311, Laws of 1995 (Engrossed Substitute Senate Bill No. 5885, services to families). Of this amount, \$1,000,000 is provided solely to expand the category of

services titled "intensive family preservation services," and \$1,000,000 is provided solely to create a new category of services titled "family preservation services."

(11) \$327,000 of the general fund--state appropriation is provided solely for transfer to the public health and safety networks. Each public health and safety network may receive up to \$2,600 general fund--state and up to \$2,500 general fund--federal per month for the purposes of infrastructure funding, including planning, network meeting support, fiscal agent payments, and liability insurance. Funding may be provided only after the network's plan is submitted to the family policy council and only after the plan is approved.

(12) \$4,941,000 of the general fund--state appropriation and \$4,941,000 of the general fund--federal appropriation are provided solely to increase the availability of employment child care to low-income families.

(13) Of the general fund--state appropriation for fiscal year 1997, \$16,766,000 is allocated for purposes consistent with the maintenance of effort requirements under the federal temporary assistance for needy families program established under P.L. 104-193.

**Sec. 1103.** 1996 c 283 s 203 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES	
General Fund--State Appropriation (FY 1996)....	\$ 25,622,000
General Fund--State Appropriation (FY 1997)....	\$ (( <del>29,828,000</del> ))
	<u>29,345,000</u>
General	Fund--Federal
Appropriation.....	\$.....
..... (( <del>20,191,000</del> ))	
	<u>18,008,000</u>
General Fund--Private/Local Appropriation.....	\$ (( <del>286,000</del> ))
	<u>269,000</u>
Violence Reduction and Drug Enforcement Account	
Appropriation.....	\$ (( <del>5,695,000</del> ))
	<u>3,211,000</u>
TOTAL APPROPRIATION.....	\$ (( <del>81,622,000</del> ))
	<u>76,455,000</u>

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

(a) \$650,000 of the general fund--state appropriation for fiscal year 1996 and \$650,000 of the general fund--state appropriation for fiscal year 1997 are provided solely for operation of learning and life skills centers established pursuant to chapter 152, Laws of 1994.

(b) \$1,379,000 of the general fund--state appropriation and \$134,000 of the violence reduction and drug enforcement account appropriation are provided solely to increase payment rates to contracted social services providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(c) \$2,350,000 of the general fund--state appropriation is provided solely for an early intervention program to be administered at the county level. Funds shall be awarded on a competitive basis to counties which have submitted a plan for implementation of an early intervention program consistent with proven methodologies currently in place in the state. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 1996)....	\$	28,727,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((32,511,000))</del>
		<u>44,527,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
.....		<del>((24,915,000))</del>
		<u>11,879,000</u>
General Fund--Private/Local Appropriation.....	\$	<del>((830,000))</del>
		<u>747,000</u>
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$	<del>((10,894,000))</del>
		<u>9,202,000</u>
TOTAL APPROPRIATION.....	\$	<del>((97,877,000))</del>
		<u>95,082,000</u>

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 1996)....	\$	1,231,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((1,236,000))</del>

		<u>1,599,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
..... (( <del>881,000</del> ))		<u>518,000</u>
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$          421,000	
TOTAL APPROPRIATION.....	\$          3,769,000	
(4) SPECIAL PROJECTS		
General Fund--Federal Appropriation.....		\$
107,000		
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$          1,177,000	
TOTAL APPROPRIATION.....	\$          1,284,000	

**Sec. 1104.** 1996 c 283 s 204 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund--State Appropriation (FY 1996)....	\$          160,689,000
General Fund--State Appropriation (FY 1997)....	\$ (( <del>165,967,000</del> ))
	<u>159,141,000</u>
General	Fund--Federal
Appropriation.....	\$.....
..... (( <del>232,449,000</del> ))	
	<u>265,995,000</u>
General Fund--Private/Local Appropriation.....	\$          4,000,000
Health Services Account Appropriation.....	\$ (( <del>19,517,000</del> ))
	<u>18,327,000</u>
TOTAL APPROPRIATION.....	\$ (( <del>582,622,000</del> ))
	<u>608,152,000</u>

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

(a) \$8,160,000 of the general fund--state appropriation and \$279,000 of the health services account appropriation are provided solely to increase payment rates to contracted social services providers. It is the legislature's intent that these funds shall be

used primarily to increase compensation for persons employed in direct, front-line service delivery.

(b) Regional support networks shall use portions of the general fund--state appropriation for implementation of working agreements with the vocational rehabilitation program which will maximize the use of federal funding for vocational programs.

(c) From the general fund--state appropriation in this section, the secretary of social and health services shall assure that regional support networks reimburse the aging and adult services program for the general fund--state cost of medicaid personal care services that are used by enrolled regional support network consumers by reason of their psychiatric disability. The secretary of social and health services shall convene representatives from the aging and adult services program, the mental health division, and the regional support networks to establish an equitable and efficient mechanism for accomplishing this reimbursement.

(d) \$1,000,000 of the general fund--state appropriation is provided solely to implement the division's responsibilities under Engrossed Second Substitute Senate Bill No. 5439 (nonoffender at-risk youth).

(e) At least 30 days prior to entering contracts that would capitate payments for voluntary psychiatric hospitalizations, the mental health division shall report the proposed capitation rates, and the assumptions and calculations by which they were established, to the budget and forecasting divisions of the office of financial management, the appropriations committee of the house of representatives, and the ways and means committee of the senate.

(f) \$2,474,000 of the general fund--state appropriation for fiscal year 1997 and \$2,526,000 of the general fund--federal appropriation are provided solely for medicare cross over payments. These amounts provide funding to implement the federal court order in *South Sound Radiologists v. Quasim*, C95-121WP (1996), which ruled that payments should be made at 50 percent of the medicare amount, regardless of medicaid limits. These payments shall be made by the state directly to service providers.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 1996)....	\$	52,673,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((56,293,000))</del>
		<u>59,527,000</u>

General		Fund--Federal
Appropriation.....	\$.....	
..... (( <del>119,325,000</del> ))		
		<u>126,954,000</u>
General Fund--Private/Local Appropriation.....	\$ (( <del>39,130,000</del> ))	
		<u>28,587,000</u>
Industrial Insurance Premium Refund Account		
Appropriation.....	\$ 747,000	
TOTAL APPROPRIATION.....	\$ (( <del>268,168,000</del> ))	
		<u>268,488,000</u>

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

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

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

(3) CIVIL COMMITMENT

General Fund Appropriation (FY 1996).....	\$ 3,470,000
General Fund Appropriation (FY 1997).....	\$ (( <del>3,533,000</del> ))
	<u>4,106,000</u>
TOTAL APPROPRIATION.....	\$ (( <del>7,003,000</del> ))
	<u>7,576,000</u>

(4) SPECIAL PROJECTS

General		Fund--Federal
Appropriation.....	\$.....	
..... 6,341,000		
General Fund--State Appropriation (FY 1997)....	\$ 950,000	
TOTAL APPROPRIATION.....	\$ 7,291,000	

The appropriations in this subsection are subject to the following conditions and limitations: The general fund--state appropriation in this section is provided solely for continued operation of the primary intervention program, in the school districts in which those projects previously operated, to the extent they continue to meet contract terms and performance standards.

(5) PROGRAM SUPPORT

General Fund--State Appropriation (FY 1996)....	\$ 2,549,000
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General Fund--State Appropriation (FY 1997)....	\$	(( <del>2,544,000</del> ))	
			<u>2,550,000</u>
General			Fund--Federal
Appropriation.....	\$		
..... (( <del>1,511,000</del> ))			<u>1,517,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>6,604,000</del> ))	<u>6,616,000</u>

**Sec. 1105.** 1996 c 283 s 205 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 1996)....	\$	121,641,000	
General Fund--State Appropriation (FY 1997)....	\$	(( <del>126,500,000</del> ))	
			<u>129,191,000</u>
General			Fund--Federal
Appropriation.....	\$		
..... (( <del>170,481,000</del> ))			<u>173,060,000</u>
Health Services Account Appropriation.....	\$	(( <del>4,679,000</del> ))	
			<u>4,879,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>423,301,000</del> ))	<u>428,771,000</u>

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 1996)....	\$	62,152,000	
General Fund--State Appropriation (FY 1997)....	\$	(( <del>62,291,000</del> ))	
			<u>62,691,000</u>
General			Fund--Federal
Appropriation.....	\$		
..... (( <del>140,652,000</del> ))			<u>140,252,000</u>
General Fund--Private/Local Appropriation.....	\$	9,100,000	
TOTAL APPROPRIATION.....	\$	274,195,000	

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 1996)....	\$	2,964,000	
General Fund--State Appropriation (FY 1997)....	\$	(( <del>3,000,000</del> ))	
			<u>3,170,000</u>

General		Fund--Federal
Appropriation.....	\$.....	
..... (( <del>940,000</del> ))		
		<u>1,014,000</u>
TOTAL APPROPRIATION.....	\$ (( <del>6,904,000</del> ))	
		<u>7,148,000</u>

(4) SPECIAL PROJECTS

General		Fund--Federal
Appropriation.....	\$.....	
..... 7,878,000		

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

(a) \$6,569,000 of the general fund--state appropriation and \$19,000 of the health services account appropriation and \$4,298,000 of the general fund--federal appropriation are provided solely to increase payment rates to contracted social services providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(b) \$1,447,000 of the general fund--state appropriation is provided solely for employment or other day programs for eligible persons who complete a high school curriculum during the 1995-97 biennium.

(c) \$500,000 of the health services account appropriation is provided solely for fiscal year 1996 and \$3,500,000 of the health services account appropriation is provided solely for fiscal year 1997 for family support services for families who need but are currently unable to receive such services because of funding limitations. The fiscal year 1996 amount shall be prioritized for unserved families who have the most critical need for assistance. The fiscal year 1997 amount shall be distributed among unserved families according to priorities developed in consultation with organizations representing families of people with developmental disabilities.

(d) The secretary of social and health services shall investigate and by November 15, 1995, report to the appropriations committee of the house of representatives and the ways and means committee of the senate on the feasibility of obtaining a federal managed-care waiver under which growth which would otherwise occur in state and federal spending for the medicaid personal care and targeted case management

programs is instead capitated and used to provide a flexible array of employment, day program, and in-home supports.

(e) \$1,015,000 of the program support general fund--state appropriation is provided solely for distribution among the five regional deaf centers for services for the deaf and hard of hearing.

(f) \$25,000 of the program support general fund--state appropriation is provided solely for a vendor rate increase in fiscal year 1997 for an organization specializing in the provision of case management and support services to persons with both deafness and blindness.

(6) \$200,000 of the health services account appropriation and the associated general fund--federal match is provided solely for the enrollment in the basic health plan of home care workers below 200 percent of the federal poverty level who are employed through state contracts.

**Sec. 1106.** 1996 c 283 s 206 (uncodified) is amended to read as follows:

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

<u>General Fund--State Appropriation (FY 1996)</u> ....	\$	<u>378,972,000</u>
General Fund--State Appropriation (FY 1997)....	\$	<del>((385,377,000))</del>
		<u>377,103,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		<del>((773,530,000))</del>
		<u>763,686,000</u>
Health Services Account--State Appropriation...	\$	<del>((6,858,000))</del>
		<u>1,301,000</u>
TOTAL APPROPRIATION.....	\$	<del>((1,534,820,000))</del>
		<u>1,521,062,000</u>

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

(1) \$6,492,000 of the general fund--state appropriation is provided solely to increase payment rates to contracted social services providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(2) The department shall seek a federal plan amendment to increase the home maintenance needs allowance for unmarried COPES recipients only to 100 percent of the federal poverty level. No changes shall be implemented in COPES home maintenance needs allowances until the amendment has been approved.

(3) The secretary of social and health services shall transfer funds appropriated under section 207(2) of this act to this section for the purpose of integrating and streamlining programmatic and financial eligibility determination for long-term care services.

(4) A maximum of \$2,603,000 of the general fund--state appropriation and \$2,670,000 of the general fund--federal appropriation for fiscal year 1996 and \$5,339,000 of the general fund--state appropriation and \$5,380,000 of the general fund--federal appropriation for fiscal year 1997 are provided to fund the medicaid share of any prospective payment rate adjustments as may be necessary in accordance with RCW 74.46.460.

(5) The entire health services account appropriation and the associated general fund--federal match is provided solely for the enrollment in the basic health plan of home care workers below 200 percent of the federal poverty level who are employed through state contracts. Enrollment for workers with family incomes at or above 200 percent of poverty shall be covered with general fund--state and matching general fund--federal revenues that have previously been appropriated for health benefits coverage, to the extent that these funds have not been contractually obligated prior to March 1, 1996, for worker wage increases.

(6) By November 1, 1996, the department of social and health services and the health care authority shall report to the appropriate committees of the legislature on (a) the extent, if any, to which previously appropriated general fund--state and matching general fund--federal funds are insufficient to provide basic health plan enrollment coverage for homecare workers above 200 percent of the federal poverty level; and (b) recommended procedural and, if necessary, statutory changes needed to minimize the administrative costs and complexity of basic health plan enrollment by employer groups.

(7) \$126,000 of the general fund--state appropriation for fiscal year 1997 is provided solely for adult day health services for persons with AIDS. These services shall be provided through a state-only

program by a single agency specializing in long-term care for persons with AIDS.

(8) \$403,000 of the general fund--state appropriation for fiscal year 1996 and \$698,000 of the general fund--state appropriation for fiscal year 1997 are provided solely to reimburse the medical assistance administration for medicaid services used by persons not previously eligible for medical assistance services who become so as a result of transferring from the chore services to the COPES program.

**Sec. 1107.** 1996 c 283 s 207 (uncodified) is amended to read as follows:

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

(1) GRANTS AND SERVICES TO CLIENTS	
General Fund--State Appropriation (FY 1996)....	\$ 379,619,000
General Fund--State Appropriation (FY 1997)....	\$ ((389,585,000))
	<u>379,393,000</u>
General	Fund--Federal
Appropriation.....	\$.....
..... ((636,859,000))	
	<u>611,058,000</u>
TOTAL APPROPRIATION.....	\$ ((1,406,063,000))
	<u>1,370,070,000</u>

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

(a) ~~((Payment levels in the programs for aid to families with dependent children, general assistance, and refugee assistance shall contain an energy allowance to offset the costs of energy. The allowance shall be excluded from consideration as income for the purpose of determining eligibility and benefit levels of the food stamp program to the maximum extent such exclusion is authorized under federal law and RCW 74.08.046. To this end, up to \$300,000,000 of the income assistance payments is so designated for exemptions of the following amounts:~~

Family size:	<del>1</del>	<del>2</del>	<del>3</del>	<del>4</del>	<del>5</del>	<del>6</del>	<del>7</del>	<del>8</del>	<del>or more</del>
Exemption:	<del>\$55</del>	<del>71</del>	<del>86</del>	<del>102</del>	<del>117</del>	<del>133</del>	<del>154</del>	<del>170</del>	

~~(b)~~) \$18,000 of the general fund--state appropriation for fiscal year 1996 and \$37,000 of the general fund--state appropriation for fiscal year 1997 are provided solely to increase payment rates to contracted social services providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

~~(c)~~) (b) During the 1995-97 fiscal biennium, the department of social and health services shall provide assistance under the general assistance for children program to needy families with legal immigrants permanently residing in the United States under color of law who are not eligible under federal law for aid to families with dependent children benefits solely due to their immigration status. Assistance to needy families shall be in the same amount as benefits under the aid to families with dependent children program. The families must be otherwise eligible for aid to families with dependent children including consideration of the current alien sponsor deeming rules. The department is authorized to use state general funds appropriated in this section to provide such benefits.

(2) PROGRAM SUPPORT

General Fund--State Appropriation (FY 1996)....	\$	112,427,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((109,168,000))</del>
		<u>113,799,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
.....	<del>((200,555,000))</del>	
		<u>203,912,000</u>
Health Services Account Appropriation.....	\$	750,000
TOTAL APPROPRIATION.....	\$	<del>((422,900,000))</del>
		<u>430,888,000</u>

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

(a) \$16,000 of the general fund--state appropriation for fiscal year 1996 and \$34,000 of the general fund--state appropriation for fiscal year 1997 are provided solely to increase payment rates to contracted social service providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(b) The department shall report to the fiscal committees of the legislature no later than December 20, 1995, concerning the number and

dollar value of contracts for services provided as part of the job opportunities and basic skills program. This report shall indicate the criteria used in the choice of state agencies or private entities for a particular contract, the total value of contracts with state agencies, and the total value of contracts with private entities. The report shall also indicate what, if any, performance criteria are included in job opportunities and basic skills program contracts.

(c) The department shall:

(i) Coordinate with other state agencies, including but not limited to the employment security department, to ensure that persons receiving federal or state funds are eligible in terms of citizenship and residency status; and

(ii) Systematically use all processes available to verify eligibility in terms of the citizenship and residency status of applicants and recipients for public assistance.

**Sec. 1108.** 1996 c 283 s 208 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 1996)....	\$	8,199,000	
General Fund--State Appropriation (FY 1997)....	\$	<del>((11,990,000))</del>	
			<u>13,041,000</u>
General			Fund--Federal
Appropriation.....	\$.....		
.....		<del>((77,594,000))</del>	
			<u>76,848,000</u>
Violence Reduction and Drug Enforcement Account			
Appropriation.....	\$	71,900,000	
Health Services Account Appropriation.....	\$	969,000	
TOTAL APPROPRIATION.....	\$	<del>((170,652,000))</del>	
			<u>170,957,000</u>

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

(1) \$9,544,000 of the total appropriation is provided solely for the grant programs for school districts and educational service districts set forth in RCW 28A.170.080 through 28A.170.100, including state support activities, as administered through the office of the superintendent of public instruction.

(2) \$400,000 of the health services account appropriation is provided solely to implement Second Substitute Senate bill No. 5688 (fetal alcohol syndrome). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(3) \$502,000 of the general fund--state appropriation and \$435,000 of the violence reduction and drug enforcement account appropriation for fiscal year 1996 and \$1,015,000 of the general fund--state appropriation and \$1,023,000 of the violence reduction and drug enforcement account appropriation for fiscal year 1997 are provided solely to increase payment rates to contracted and subcontract social services providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(4) \$552,000 of the general fund--state appropriation is provided solely to implement the division's responsibilities under Engrossed Second Substitute Senate Bill No. 5439 (nonoffender at-risk youth).

(5) \$1,387,000 of the general fund--state appropriation and \$363,000 of the general fund--federal appropriation are provided solely for detoxification and stabilization services, inpatient treatment, and recovery house treatment for at-risk youth. If Second Substitute House Bill No. 2217 (at-risk youth) is not enacted by June 30, 1996, the amount provided in this subsection shall lapse.

(6) \$1,902,000 of the general fund--state appropriation and \$796,000 of the general fund--federal appropriation are provided solely for alcohol and substance abuse assessment, treatment, and child care services for clients of the division of children and family services. Assessment shall be provided by approved chemical dependency treatment programs as requested by child protective services personnel in the division of children and family services. Treatment shall be outpatient treatment for parents of children who are under investigation by the division of children and family services. Child care shall be provided as deemed necessary by the division of children and family services while parents requiring alcohol and substance abuse treatment are attending treatment programs.

**Sec. 1109.** 1996 c 283 s 209 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE PROGRAM**

General Fund--State Appropriation (FY 1996)....	\$	669,448,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((658,055,000))</del>
		<u>668,440,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
.....		<del>((1,774,688,000))</del>
		<u>1,782,340,000</u>
General Fund--Private/Local Appropriation.....	\$	<del>((199,160,000))</del>
		<u>202,067,000</u>
Health Services Account Appropriation.....	\$	<del>((207,272,000))</del>
		<u>192,111,000</u>
TOTAL APPROPRIATION.....	\$	<del>((3,508,623,000))</del>
		<u>3,514,406,000</u>

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

(1) The department shall continue to make use of the special eligibility category created for children through age 18 and in households with incomes below 200 percent of the federal poverty level made eligible for medicaid as of July 1, 1994. The department shall also continue to provide consistent reporting on other medicaid children served through the basic health plan.

(2) The department shall contract for the services of private debt collection agencies to maximize financial recoveries from third parties where it is not cost-effective for the state to seek the recovery directly.

(3) It is the intent of the legislature that Harborview medical center continue to be an economically viable component of the health care system and that the state's financial interest in Harborview medical center be recognized.

(4) \$3,682,000 of the general fund--state appropriation for fiscal year 1996 and \$7,844,000 of the general fund--state appropriation for fiscal year 1997 are provided solely to increase payment rates to contracted medical services providers.

(5)(a) Pursuant to RCW 74.09.700, the medically needy program shall be limited to include only the following groups: Those persons who, except for income and resources, would be eligible for the medicaid categorically needy aged, blind, or disabled programs and medically needy persons under age 21 or over age 65 in institutions for mental diseases or in intermediate care facilities for the

mentally retarded. Existing departmental rules concerning income, resources, and other aspects of eligibility for the medically needy program shall continue to apply to these groups. The medically needy program will not provide coverage for caretaker relatives of medicaid-eligible children or for adults in families with dependent children who, except for income and resources, would be eligible for the medicaid categorically needy aid to families with dependent children program.

(b) Notwithstanding (a) of this subsection, the medically needy program shall provide coverage until December 31, 1995, to those persons who, except for income and resources, would be eligible for the medicaid aid to families with dependent children program.

(6) These appropriations may not be used for any purpose related to a supplemental discount drug program or agreement created under WAC 388-91-007 and 388-91-010.

(7) Funding is provided in this section for the adult dental program for Title XIX categorically eligible and medically needy persons and to provide foot care services by podiatric physicians and surgeons.

(8) \$160,000 of the general fund--state appropriation and \$160,000 of the general fund--federal appropriation are provided solely for the prenatal triage clearinghouse to provide access and outreach to reduce infant mortality.

(9) \$3,128,000 of the general fund--state appropriation is provided solely for treatment of low-income kidney dialysis patients.

(10) Funding is provided in this section to fund payment of insurance premiums for persons with human immunodeficiency virus who are not eligible for medicaid.

(11) Not more than \$11,410,000 of the general fund--state appropriation during fiscal year 1996 and \$11,410,000 of the health services account appropriation during fiscal year 1997 may be expended for the purposes of operating the medically indigent program. Funding is provided solely for emergency transportation and acute emergency hospital services, including emergency room physician services and related inpatient hospital physician services. In any twelve-month period, funding for such services is to be provided to an eligible individual for a maximum of three months following a hospital admission and only after \$2,000 of emergency medical expenses have been incurred.

(12) \$21,525,000 of the health services account appropriation and \$21,031,000 of the general fund--federal appropriation are provided solely to increase access to dental services and to increase the use of preventative dental services for title XIX categorically eligible children.

(13) After considering administrative and cost factors, the department shall adopt measures to realize savings in the purchase of prescription drugs, hearing aids, home health services, wheelchairs and other durable medical equipment, and disposable supplies. Such measures may include, but not be limited to, point-of-sale pharmacy adjudication systems, modification of reimbursement methodologies or payment schedules, selective contracting, and inclusion of such services in managed care rates.

(14) As part of the long-term care reforms contained in Engrossed Second Substitute House Bill No. 1908, after receiving acute inpatient hospital care, eligible clients shall be transferred from the high cost institutional setting to the least restrictive, least costly, and most appropriate facility as soon as medically reasonable. Physical medicine and rehabilitation services (acute rehabilitation) shall take place in the least restrictive environment, at the least cost and in the most appropriate facility as determined by the department in coordination with appropriate health care professionals and facilities. Facilities providing physical medicine and rehabilitation services must meet the quality care certification standards required of acute rehabilitation hospitals and rehabilitation units of hospitals.

(15) The department is authorized to provide no more than five chiropractic service visits per person per year for those eligible recipients with acute conditions.

(16) The department shall achieve an actual reduction in the per capita rates paid to managed care plans in calendar year 1997 by taking actions including but not limited to the following: (a) Selectively contracting with only those managed care plans in a given geographic area that offer the lowest price, while meeting specified standards of service quality and network adequacy; (b) revising program procedures, through a federal waiver if necessary, so that recipients are required to enroll in only one managed care plan during a contract period, except for documented good cause; and (c) disproportionately assigning recipients who do not designate a plan preference to plans offering more competitive rates.

(17) By July 1, 1996, the department shall report to the committees on health care and appropriations of the house of representatives, and to the committees on health and long-term care and ways and means of the senate, on the projected costs and benefits of (a) alternative point-of-service copay requirements for recipients with incomes at various percentages of the federal poverty level; and (b) alternative premium-sharing requirements for recipients with incomes at or above 100 percent of the federal poverty level.

(18) \$4,600,000 of the general fund--state appropriation is provided solely to compensate designated trauma centers for trauma services provided to medically indigent and general assistance clients who have an index of severity score of 16 or higher. Such compensation is to be provided (a) through reimbursement at the medicaid rate; or (b) through a direct payment to governmental hospitals. To be eligible for this higher compensation, the trauma center must (i) be designated a Level I through V trauma center by the department of health; (ii) provide complete trauma care data to the trauma care registry in accordance with WAC 246-976-430; (iii) establish an internal quality assurance trauma program that complies with WAC 246-976-880; and (iv) encourage and assist medically indigent and charity care patients to enroll in the basic health plan.

**Sec. 1110.** 1995 2nd sp.s. c 18 s 210 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 1996)....	\$	7,741,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((7,846,000))</del>
		<u>7,853,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
.....		<del>((73,180,000))</del>
		<u>73,206,000</u>
General Fund--Private/Local Appropriation.....	\$	2,904,000
TOTAL APPROPRIATION.....	\$	<del>((91,671,000))</del>
		<u>91,704,000</u>

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

(1) \$39,000 of the general fund--state appropriation is provided solely to increase payment rates to contracted social services providers. It is the legislature's intent that these funds shall be used primarily to increase compensation for persons employed in the direct delivery of service to clients.

(2) The division of vocational rehabilitation shall negotiate cooperative interagency agreements with local organizations, including higher education institutions, mental health regional support networks, and county developmental disabilities programs to improve and expand employment opportunities for people with severe disabilities served by those local agencies.

(3) \$310,000 of the general fund--state appropriation and \$1,144,000 of the general fund--federal appropriation are provided solely for vocational rehabilitation services for individuals with developmental disabilities who complete a high school curriculum during the 1995-97 biennium.

**Sec. 1111.** 1996 c 283 s 210 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 1996)....	\$	25,933,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((25,934,000))</del>
		<u>26,114,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		<del>((41,503,000))</del>
		<u>41,630,000</u>
General Fund--Private/Local Appropriation.....	\$	270,000
TOTAL APPROPRIATION.....	\$	<del>((93,640,000))</del>
		<u>93,947,000</u>

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

(1) The secretary of social and health services and the director of labor and industries shall report to the appropriate fiscal and policy committees of the legislature by July 1, 1995, and every six months thereafter, on the measurable changes in employee injury and time-loss rates that have occurred in the state developmental disabilities, juvenile rehabilitation, and mental health institutions

as a result of the upfront loss-control discount agreement between the agencies.

(2) \$500,000 of the general fund--state appropriation and \$300,000 of the general fund--federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 1010 (regulatory reform). The department may transfer all or a portion of these amounts to the appropriate divisions of the department for this purpose. If Engrossed Substitute House Bill No. 1010 (regulatory reform) is not enacted by June 30, 1995, the amounts provided in this subsection shall lapse.

(3) By December 1, 1996, the department of personnel and the department of social and health services shall jointly report to the legislature on strategies for increasing, within existing funds, supported employment opportunities in state government for persons with developmental and other substantial and chronic disabilities. In developing the report, the departments shall consult with employee representatives, organizations involved in job training and placement for persons with severe disabilities, and other state and local governments that have successfully offered supported employment opportunities for their citizens with disabilities.

**Sec. 1112.** 1996 c 283 s 211 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILD SUPPORT PROGRAM**

General Fund--State Appropriation (FY 1996)....	\$	19,019,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((18,820,000))</del>
		<u>19,297,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
..... <del>((139,220,000))</del>		
		<u>140,206,000</u>
General Fund--Local Appropriation.....	\$	<del>((32,289,000))</del>
		<u>32,563,000</u>
TOTAL APPROPRIATION.....	\$	<del>((209,348,000))</del>
		<u>211,085,000</u>

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

(1) The department shall contract with private collection agencies to pursue collection of AFDC child support arrearages in cases that might otherwise consume a disproportionate share of the department's collection efforts. The department's child support collection staff shall determine which cases are appropriate for referral to private collection agencies. In determining appropriate contract provisions, the department shall consult with other states that have successfully contracted with private collection agencies to the extent allowed by federal support enforcement regulations.

(2) The department shall request a waiver from federal support enforcement regulations to replace the current program audit criteria, which is process-based, with performance measures based on program outcomes.

(3) The amounts appropriated in this section for child support legal services shall only be expended by means of contracts with local prosecutor's offices.

**Sec. 1113.** 1995 2nd sp.s. c 18 s 213 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 1996)....	\$	21,112,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((20,668,000))</del>
		<u>22,118,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
..... 16,281,000		
TOTAL APPROPRIATION.....	\$	<del>((58,061,000))</del>
		<u>59,511,000</u>

**Sec. 1114.** 1995 2nd sp.s. c 18 s 214 (uncodified) is amended to read as follows:

**FOR THE STATE HEALTH CARE POLICY BOARD**

General Fund--Private/Local Appropriation.....	\$	110,000
Health Services Account Appropriation.....	\$	<del>((4,229,000))</del>
		<u>3,913,000</u>
TOTAL APPROPRIATION.....	\$	<del>((4,339,000))</del>
		<u>4,023,000</u>

**Sec. 1115.** 1996 c 283 s 212 (uncodified) is amended to read as follows:

**FOR THE STATE HEALTH CARE AUTHORITY**

General Fund--State Appropriation (FY 1996)....	\$	3,403,000
General Fund--State Appropriation (FY 1997)....	\$	3,403,000
State Health Care Authority Administrative Account Appropriation.....	\$	15,744,000
Health Services Account Appropriation.....	\$	<del>((247,010,000))</del>
		<u>243,010,000</u>
TOTAL APPROPRIATION.....	\$	<del>((269,560,000))</del>
		<u>265,560,000</u>

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

(1) \$6,806,000 of the general fund appropriation and \$5,590,000 of the health services account appropriation are provided solely for health care services provided through local community clinics.

(2) \$1,189,000 of the health care authority administrative fund appropriation is provided to accommodate additional enrollment from school districts that voluntarily choose to purchase employee benefits through public employee benefits board programs. The office of financial management is directed to monitor K-12 enrollment in PEBB plans and to reduce allotments proportionally if the number of K-12 active employees enrolled after January 1995 is less than 11,837.

(3) By November 1, 1996, the health care authority shall report to the health care and fiscal committees of the legislature on potential program adjustments to the basic health plan to achieve reductions in anticipated health services account expenditures. Options addressed in the report shall include, but not be limited to: (a) Reductions in the maximum income eligibility level; (b) changes in the premium subsidy schedule; (c) increasing required copayments; and (d) reducing the number of contracting health plans. For each option, the report shall describe anticipated 1997-99 savings from the proposed change, and the potential impact on health insurance access and health status.

(4) The state health care authority administrative account appropriation includes sufficient funds to study options for expanding state and school district retiree access to health benefits purchased through the health care authority and the fiscal impacts of each option. The health care authority shall conduct this study in

conjunction with the state actuary, the office of financial management, and the fiscal committees of the legislature.

(5) \$79,000 of the state health care authority administrative account appropriation is provided to implement Substitute House Bill No. 2186 (public employees long-term care).

(6) By November 1, 1996, the department of social and health services and the health care authority shall report to the appropriate committees of the legislature on (a) the extent, if any, to which previously appropriated general fund--state and matching general fund--federal funds are insufficient to provide basic health plan enrollment coverage for homecare workers at or above 200 percent of the federal poverty level; and (b) recommended procedural and, if necessary, statutory changes needed to minimize the administrative costs and complexity of basic health plan enrollment by employer groups.

(7) \$((~~919,000~~)) 219,000 of the health services account appropriation is provided for enhanced basic health plan subsidies for foster parents licensed under chapter 74.15 RCW. Under this enhanced subsidy option, foster parents with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at a cost of \$10 per month per parent. The health care authority shall endeavor to provide this enhanced subsidy to a monthly average of 1,000 foster parents during state fiscal year 1997, and no more than 2,000 shall be enrolled by the end of the 1995-97 biennium.

**Sec. 1116.** 1996 c 283 s 214 (uncodified) is amended to read as follows:

**FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

Death Investigations Account Appropriation.....	\$	38,000
Public Safety and Education Account		
Appropriation.....	\$	(( <del>11,036,000</del> ))
		<u>11,572,000</u>
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$	344,000
TOTAL APPROPRIATION.....	\$	(( <del>11,418,000</del> ))
		<u>11,954,000</u>

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

(1) \$28,000 of the public safety and education account is provided solely to implement Engrossed Second Substitute Senate Bill No. 5219 (domestic violence). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(2) \$45,000 of the public safety and education account appropriation is provided solely for the implementation of Second Substitute House Bill No. 2323 (law enforcement training). If the bill is not enacted by June 30, 1996, the amount provided in this subsection shall lapse.

(3) \$27,000 of the public safety and education account appropriation is provided solely for the implementation of the reporting requirements contained in section 6 of House Bill No. 2472. If the bill is not enacted by June 30, 1996, the amount provided in this subsection shall lapse.

**Sec. 1117.** 1996 c 283 s 215 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund Appropriation (FY 1996).....	\$	5,270,000
General Fund Appropriation (FY 1997).....	\$	5,711,000
Public Safety and Education Account--State		
Appropriation.....	\$	<del>((19,990,000))</del>
		<u>18,982,000</u>
Public Safety and Education Account--Federal		
Appropriation.....	\$	<del>((6,002,000))</del>
		<u>7,024,000</u>
Public Safety and Education Account--Private/Local		
Appropriation.....	\$	<del>((972,000))</del>
		<u>1,980,000</u>
Electrical License Account		
Appropriation.....	\$	20,125,000
Farm Labor Revolving Account--Private/Local		
Appropriation.....	\$	28,000
Worker and Community Right-to-Know Account		
Appropriation.....	\$	2,138,000
Public Works Administration Account		
Appropriation.....	\$	1,928,000
Accident Account--State Appropriation.....	\$	<del>((139,991,000))</del>
		<u>139,240,000</u>

Accident Account--Federal Appropriation.....	\$	(( <del>9,112,000</del> ))	
			<u>9,924,000</u>
Medical Aid Account--State			
Appropriation.....	\$		
.....		(( <del>150,284,000</del> ))	
			<u>150,152,000</u>
Medical Aid Account--Federal Appropriation.....	\$	(( <del>1,592,000</del> ))	
			<u>1,734,000</u>
Plumbing Certificate Account Appropriation.....	\$		682,000
Pressure Systems Safety Account			
Appropriation...	\$		
.....		2,053,000	
TOTAL APPROPRIATION.....	\$	(( <del>365,878,000</del> ))	
			<u>366,971,000</u>

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

(1) Expenditures of funds appropriated in this section for the information systems projects identified in agency budget requests as "crime victims--prime migration" and "document imaging--field offices" are conditioned upon compliance with section 902 of this act. In addition, funds for the "document imaging--field offices" project shall not be released until the required components of a feasibility study are completed and approved by the department of information services.

(2) Pursuant to RCW 7.68.015, the department shall operate the crime victims compensation program within the public safety and education account funds appropriated in this section. In the event that cost containment measures are necessary, the department may (a) Institute copayments for services; (b) develop preferred provider and managed care contracts; and (c) coordinate with the department of social and health services to use public safety and education account funds as matching funds for federal Title XIX reimbursement, to the extent this maximizes total funds available for services to crime victims.

(3) \$108,000 of the general fund appropriation is provided solely for an interagency agreement to reimburse the board of industrial insurance appeals for crime victims appeals.

(4) The secretary of social and health services and the director of labor and industries shall report to the appropriate fiscal and

policy committees of the legislature by July 1, 1995, and every six months thereafter, on the measurable changes in employee injury and time-loss rates that have occurred in the state developmental disabilities, juvenile rehabilitation, and mental health institutions as a result of the upfront loss-control discount agreement between the agencies.

((~~(6)~~)) (5) \$450,000 of the accident account--state appropriation and \$450,000 of the medical aid account--state appropriation are provided solely to implement an on-line claims data access system that will include all employers in the retrospective rating plan program.

((~~(7)~~)) (6) Within the appropriations provided in this section, the department shall implement an integrated state-wide on-line verification system for pharmacy providers. The system shall be implemented by means of contracts that are competitively bid. Until this system is implemented, no department rules may take effect that reduce the dispensing fee for industrial insurance pharmacy services in effect on January 1, 1995.

(8) \$4,000 of the accident account--state appropriation and \$4,000 of the medical aid--state appropriation is provided solely for the implementation of Senate Bill No. 6223 or House Bill No. 2498 (construction trade procedures). If neither bill is enacted by June 30, 1996, these amounts shall lapse.

(9) \$38,000 of the accident account--state appropriation and \$37,000 of the medical aid--state appropriation is provided solely for the implementation of Senate Bill No. 6225 or House Bill No. 2499 (employer assessments). If neither bill is enacted by June 30, 1996, these amounts shall lapse.

(10) \$7,000 of the accident account--state appropriation and \$6,000 of the medical aid--state appropriation is provided solely for the implementation of Senate Bill No. 6224 or House Bill No. 2496 (disability pilot project). If neither bill is enacted by June 30, 1996, these amounts shall lapse.

(11) \$443,000 of the public safety and education account appropriation is provided solely for the implementation of Substitute House Bill No. 2358 (crime victim and witness programs). If the bill is not enacted by June 30, 1996, the amount provided in this subsection shall lapse.

(12) \$121,000 of the accident account--state appropriation and \$121,000 of the medical aid account--state appropriation are provided solely for the implementation of House Bill No. 2322 (family farm

exemptions). If the bill is not enacted by June 30, 1996, the amounts provided in this subsection shall lapse.

(13) \$271,000 of the accident account--state appropriation and \$271,000 of the medical aid account--state appropriation are provided solely for the implementation of Second Substitute Senate Bill No. 5516 (drug free workplaces). If the bill is not enacted by June 30, 1996, the amounts provided in this subsection shall lapse.

**Sec. 1118.** 1996 c 283 s 216 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF VETERANS AFFAIRS**

(1) HEADQUARTERS		
General Fund Appropriation (FY 1996).....	\$	1,227,000
General Fund Appropriation (FY 1997).....	\$	( <del>1,226,000</del> )
		<u>1,249,000</u>
Industrial Insurance Refund Account		
Appropriation.....	\$	25,000
Charitable, Educational, Penal, and Reformatory		
Institutions Account Appropriation.....	\$	4,000
TOTAL APPROPRIATION.....	\$	( <del>2,482,000</del> )
		<u>2,505,000</u>
(2) FIELD SERVICES		
General Fund--State Appropriation (FY 1996)....	\$	1,853,000
General Fund--State Appropriation (FY 1997)....	\$	2,257,000
General Fund--Federal Appropriation.....		\$
381,000		
General Fund--Private/Local Appropriation.....	\$	85,000
TOTAL APPROPRIATION.....	\$	4,576,000
(3) VETERANS HOME		
General Fund--State Appropriation (FY 1996)....	\$	3,893,000
General Fund--State Appropriation (FY 1997)....	\$	( <del>3,788,000</del> )
		<u>2,559,000</u>
General		Fund--Federal
Appropriation.....	\$	.....
.....		( <del>11,470,000</del> )
		<u>11,469,000</u>
General Fund--Private/Local Appropriation.....	\$	( <del>7,392,000</del> )
		<u>8,622,000</u>
TOTAL APPROPRIATION.....	\$	26,543,000
(4) SOLDIERS HOME		

General Fund--State Appropriation (FY 1996)....	\$	2,927,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((2,825,000))</del>
		<u>2,541,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
.....		<del>((5,975,000))</del>
		<u>6,510,000</u>
General Fund--Private/Local Appropriation.....	\$	<del>((5,312,000))</del>
		<u>5,061,000</u>
TOTAL APPROPRIATION.....	\$	17,039,000

**Sec. 1119.** 1996 c 283 s 217 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF HEALTH**

General Fund--State Appropriation (FY 1996)....	\$	44,328,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((44,639,000))</del>
		<u>45,912,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
.....		<del>((234,275,000))</del>
		<u>240,075,000</u>
General Fund--Private/Local Appropriation.....	\$	25,476,000
Hospital Commission Account Appropriation.....	\$	3,019,000
Medical Disciplinary Account Appropriation.....	\$	1,798,000
Health		Professions
Appropriation.....	\$.....	Account
.....		32,964,000
Industrial Insurance Account Appropriation.....	\$	62,000
Safe Drinking Water Account Appropriation.....	\$	2,751,000
Public Health Services Account Appropriation...	\$	23,753,000
Waterworks Operator Certification		
Appropriation.....	\$	605,000
Water		Quality
Appropriation.....	\$.....	Account
.....		3,079,000
State Toxics Control Account Appropriation.....	\$	2,824,000
Violence Reduction and Drug Enforcement Account		
Appropriation.....	\$	469,000
Medical Test Site Licensure Account		
Appropriation.....	\$	1,822,000

Youth Tobacco Prevention Account Appropriation.	\$	1,412,000
Health Services Account Appropriation.....	\$	<del>((19,081,000))</del>
		<u>18,081,000</u>
State and Local Improvements Revolving		
Account--Water Supply Facilities		
Appropriation.....	\$	40,000
TOTAL APPROPRIATION.....	\$	<del>((442,397,000))</del>
		<u>448,470,000</u>

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

(1) \$2,466,000 of the general fund--state appropriation is provided for the implementation of the Puget Sound water quality management plan.

(2) \$10,000,000 of the public health services account appropriation is provided solely for distribution to local health departments for distribution on a per capita basis. Prior to distributing these funds, the department shall adopt rules and procedures to ensure that these funds are not used to replace current local support for public health programs.

(3) \$4,750,000 of the public health account appropriation is provided solely for distribution to local health departments for capacity building and community assessment and mobilization.

(4) \$2,000,000 of the health services account appropriation is provided solely for public health information systems development. Authority to expend this amount is conditioned on compliance with section 902 of this act.

(5) \$1,000,000 of the health services account appropriation is provided solely for state level capacity building.

(6) \$1,000,000 of the health services account appropriation is provided solely for training of public health professionals.

(7) \$200,000 of the health services account appropriation is provided solely for the American Indian health plan.

(8) \$1,640,000 of the health services account appropriation is provided solely for health care quality assurance and health care data standards activities as required by Engrossed Substitute House Bill No. 1589 (health care quality assurance).

(9) \$1,000,000 of the health services account appropriation is provided solely for development of a youth suicide prevention program at the state level, including a state-wide public educational campaign

to increase knowledge of suicide risk and ability to respond and provision of twenty-four hour crisis hotlines, staffed to provide suicidal youth and caregivers a source of instant help.

(10) The department of health shall not initiate any services that will 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 that provides appropriation authority, and an equal amount of appropriated state 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.

(11) \$981,000 of the general fund--state appropriation and \$469,000 of the general fund--private/local appropriation are provided solely for implementing Engrossed Substitute House Bill No. 1010 (regulatory reform). If the bill is not enacted by June 30, 1995, the amounts provided in this subsection shall lapse.

(12) The department is authorized to raise existing fees for nursing assistants and hypnotherapists in excess of the fiscal growth factor established by Initiative 601, if necessary, in order to meet the actual costs of investigative and legal services due to disciplinary activities.

(13) \$750,000 of the general fund--federal appropriation is provided solely for one-time costs for a health clinic for immigrants to be managed by a local public health entity.

(14) \$70,000 of the general fund--state appropriation is provided solely for implementing Engrossed Substitute House Bill No. 1908 (chapter 18, Laws of 1995 1st sp. sess., long-term care reform).

~~((17))~~ (15)(a) Within available resources, the department of health may use any of the following strategies for raising public awareness on the causes and nature of osteoporosis, personal risk factors, value of prevention and early detection, and options for diagnosing and treating the disease:

(i) An outreach campaign utilizing print, radio, and television public service announcements, advertisements, posters, and other materials;

(ii) Community forums;

(iii) Health information and risk factor assessment at public events;

(iv) Targeting at-risk populations;

(v) Providing reliable information to policy makers;

(vi) Distributing information through county health departments, schools, area agencies on aging, employer wellness programs, physicians, hospitals and health maintenance organizations, women's groups, nonprofit organizations, community-based organizations, and departmental regional offices.

(b) The secretary of health may accept grants, services, and property from the federal government, foundations, organizations, medical schools, and other entities as may be available for the purposes of fulfilling the obligations of this program.

~~((18))~~ (16) \$8,000 of the general fund--state appropriation is provided for a study to be completed by the board of health on the current and potential use of telemedicine in the state, including recommended changes in rules and statutes. The study shall be completed by November 1, 1997, and a report submitted to the appropriate committees of the legislature.

(17) \$1,273,000 of the general fund--state appropriation for fiscal year 1997 is provided solely for the HIV/AIDS prescription drug program.

**Sec. 1120.** 1996 c 283 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**

The appropriations in this section shall be expended for the programs and in the amounts listed. However, after May 1, ~~((1996))~~ 1997, unless specifically prohibited by this act, the department may transfer ~~((general fund--state appropriations for fiscal year 1996))~~ moneys among programs after approval by the director of financial management. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing prior to approving any deviations from the appropriation levels.

(1) ADMINISTRATION AND PROGRAM SUPPORT

General Fund Appropriation (FY 1996).....	\$	12,255,000
General Fund Appropriation (FY 1997).....	\$	12,171,000
Industrial Insurance Premium Refund Account		
Appropriation.....	\$	631,000
TOTAL APPROPRIATION.....	\$	25,057,000

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

(a) The department may expend funds generated by contractual agreements entered into for mitigation of severe overcrowding in local jails. If any funds are generated in excess of actual costs, they shall be deposited in the state general fund. Expenditures shall not exceed revenue generated by such agreements and shall be treated as recovery of costs.

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

(c) Appropriations in this section provide sufficient funds to implement the provisions of Second Engrossed Second Substitute House Bill 2010 (corrections cost-efficiency and inmate responsibility omnibus act).

(d) In treating sex offenders at the Twin Rivers corrections center, the department of corrections shall prioritize treatment services to reduce recidivism and shall develop and implement an evaluation tool that: (i) States the purpose of the treatment; (ii) measures the amount of treatment provided; (iii) identifies the measure of success; and (iv) determines the level of successful and unsuccessful outcomes. The department shall report to the legislature by December 1, 1995, on how treatment services were prioritized among categories of offenses and provide a description of the evaluation tool and its incorporation into the treatment program.

(e) \$121,000 of the general fund--state fiscal year 1997 appropriation is provided solely for the department to develop and implement a centralized educational data base (education automation project), pursuant to chapter 19, Laws of 1995 1st sp. sess.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 1996).... \$ ((262,352,000))

	<u>262,343,000</u>
General Fund--State Appropriation (FY 1997)....	\$ ((270,160,000))
	<u>274,117,000</u>
General	Fund--Federal
Appropriation.....	\$.....
.....	2,153,000
Violence Reduction and Drug Enforcement Account	
Appropriation.....	\$ 1,214,000
TOTAL APPROPRIATION.....	\$ ((535,879,000))
	<u>539,827,000</u>

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

((~~(a)~~)) \$196,000 of the general fund--state fiscal year 1997 appropriation is provided solely for costs associated with data entry activities related to the department's efforts at managing health care costs, pursuant to chapter 19, Laws of 1995 1st sp. sess. and chapter 6, Laws of 1994 sp. sess.

~~((~~(b)~~ \$17,000 of the general fund--state appropriation is provided solely to implement Substitute House Bill No. 2711 (illegal alien offender camps). If the bill is not enacted by June 30, 1996, the amount provided in this subsection shall lapse.))~~

(3) COMMUNITY CORRECTIONS

General Fund Appropriation (FY 1996).....	\$ 78,843,000
General Fund Appropriation (FY 1997).....	\$ ((80,290,000))
	<u>79,576,000</u>
Violence Reduction and Drug Enforcement Account	
Appropriation.....	\$ 400,000
TOTAL APPROPRIATION.....	\$ ((159,533,000))
	<u>158,819,000</u>

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

(a) \$72,000 of the general fund--state fiscal year 1997 appropriation is provided solely for the implementation of Substitute House Bill No. 2533 (supervision of misdemeanants). If the bill is not enacted by June 30, 1996, the amount shall lapse.

(b) \$38,000 of the general fund--state fiscal year 1997 appropriation is provided solely for the implementation of Substitute Senate Bill No. 6274 (supervision of sex offenders). If the bill is

not enacted by June 30, 1996, the amount provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES

General Fund Appropriation (FY 1996).....	\$	3,330,000
General Fund Appropriation (FY 1997).....	\$	3,603,000
TOTAL APPROPRIATION.....	\$	6,933,000

The appropriations in this subsection are subject to the following conditions and limitations: \$100,000 of the general fund fiscal year 1997 appropriation is provided solely for transfer to the jail industries board. The board shall use the amount specified in this subsection only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS

General Fund Appropriation (FY 1996).....	\$	6,223,000
General Fund Appropriation (FY 1997).....	\$	6,223,000
TOTAL APPROPRIATION.....	\$	12,446,000

**Sec. 1121.** 1996 c 283 s 220 (uncodified) is amended to read as follows:

**FOR THE EMPLOYMENT SECURITY DEPARTMENT**

General Fund--State Appropriation (FY 1996)....	\$	834,000
General Fund--State Appropriation (FY 1997)....	\$	5,279,000
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		190,936,000
General Fund--Private/Local Appropriation.....	\$	21,965,000
Unemployment Compensation Administration		
Account--Federal Appropriation.....	\$	177,891,000
Administrative Contingency Account--State		
Appropriation.....	\$	( <del>8,735,000</del> )
		<u>9,235,000</u>
Employment Services Administrative Account--		
State Appropriation.....	\$	12,294,000
Employment and Training Trust Account		
Appropriation.....	\$	9,294,000
TOTAL APPROPRIATION.....	\$	( <del>427,228,000</del> )
		<u>427,728,000</u>

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

(1) The employment security department shall spend no more than \$25,049,511 of the unemployment compensation administration account--federal appropriation for the general unemployment insurance development effort (GUIDE) project, except that the department may exceed this amount by up to \$2,600,000 to offset the cost associated with any vendor-caused delay. The additional spending limitation is further conditioned on the department seeking full recovery of these moneys from any vendors failing to perform in full. Authority to expend this amount is conditioned on compliance with section 902 of this act.

(2) The employment and training trust account appropriation shall not be expended until a plan for such expenditure is reviewed and approved by the workforce training and education coordinating board for consistency with chapter 226, Laws of 1993 (employment and training for unemployed workers), and the comprehensive plan for workforce training provided in RCW 28C.18.060(4).

(3) \$95,000 of the employment services administrative account--federal appropriation is provided solely for a study of the financing provisions of the state's unemployment insurance law pursuant to Engrossed Senate Bill No. 5925.

(4) \$500,000 of the general fund--state fiscal year 1996 appropriation and \$4,945,000 of the general fund--state fiscal year 1997 appropriation are provided solely for the department to administer a comprehensive set of summer employment and training programs to disadvantaged youth. In administering this program, the department shall adhere to the following guidelines: (a) Coordinate with the work force training and education board and the service delivery areas in program development and implementation; (b) maximize employment and training opportunities for youth, while at the same time minimize state fiscal resources required; (c) adhere to the state's comprehensive plan for work force training; (d) support the state's one-stop approach to service delivery; (e) maintain low administrative overhead; (f) support the school-to-work transition system; and (g) submit an evaluation of the program by February 1, 1997. The evaluation shall identify: (i) The number of participants in the program by service delivery area; (ii) demographic information on the participants; (iii) the benefits to clients participating in

employment and training programs; and (iv) recommendations on the merits of continuing the program.

(End of part)

**PART XII**  
**NATURAL RESOURCES**

**Sec. 1201.** 1996 c 283 s 301 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 1996)....	\$	22,289,000
General Fund--State Appropriation (FY 1997)....	\$	(( <del>21,409,000</del> ))
		<u>21,781,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
..... 41,534,000		
General Fund--Private/Local Appropriation.....	\$	1,385,000
Special Grass Seed Burning Research Account		
Appropriation.....	\$	42,000
Reclamation Revolving Account Appropriation....	\$	2,664,000
Flood Control Assistance Account Appropriation.	\$	10,031,000
State Emergency Water Projects Revolving Account		
Appropriation.....	\$	312,000
Industrial Insurance Premium Refund Account		
Appropriation.....	\$	(( <del>189,000</del> ))
		<u>273,000</u>
Waste Reduction, Recycling, and Litter Control		
Account Appropriation.....	\$	5,561,000
State and Local Improvements Revolving Account--		
Waste Disposal Appropriation.....	\$	1,000,000
State and Local Improvements Revolving Account--		
Water Supply Facilities Appropriation.....	\$	1,344,000
Basic Data Account Appropriation.....	\$	182,000
Vehicle Tire Recycling Account Appropriation...	\$	5,759,000
Water		
Quality		Account
Appropriation.....	\$.....	
..... 3,583,000		
Worker and Community Right to Know Account		
Appropriation.....	\$	408,000
State Toxics Control Account Appropriation.....	\$	(( <del>50,024,000</del> ))
		<u>50,129,000</u>
Local Toxics Control Account Appropriation.....	\$	3,842,000

Water Quality Permit Account Appropriation.....	\$	19,600,000	
Underground Storage Tank Account			
Appropriation.....	\$	2,336,000	
Solid Waste Management Account Appropriation...	\$	3,631,000	
Hazardous Waste Assistance Account			
Appropriation.....	\$	3,476,000	
Air Pollution Control Account Appropriation....	\$	<del>((16,221,000))</del>	
		<u>16,421,000</u>	
Oil Spill Administration Account Appropriation.	\$	2,939,000	
Water Right Permit Processing Account			
Appropriation.....	\$	750,000	
Wood Stove Education Account Appropriation.....	\$	1,251,000	
Air Operating Permit Account Appropriation.....	\$	<del>((4,548,000))</del>	
		<u>4,348,000</u>	
Freshwater Aquatic Weeds Account Appropriation.	\$	<del>((2,047,000))</del>	
		<u>2,497,000</u>	
Oil	Spill	Response	Account
Appropriation.....		\$.....	
.....	7,060,000		
Metals Mining Account Appropriation.....			\$
300,000			
Water Pollution Control Revolving Account--State			
Appropriation.....	\$	<del>((165,000))</del>	
		<u>192,000</u>	
Water Pollution Control Revolving Account--Federal			
Appropriation.....	\$	<del>((1,419,000))</del>	
		<u>1,553,000</u>	
	TOTAL APPROPRIATION.....	\$	<del>((237,301,000))</del>
			<u>238,473,000</u>

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

(1) \$5,933,000 of the general fund--state appropriation is provided solely for the implementation of the Puget Sound water quality management plan. In addition, \$394,000 of the general fund--federal appropriation, \$819,000 of the state toxics control account appropriation, \$3,591,000 of the water quality permit fee account appropriation, and \$2,715,000 of the oil spill administration account appropriation may be used for the implementation of the Puget Sound water quality management plan.

(2) \$150,000 of the state toxics control account appropriation and \$150,000 of the local toxics control account appropriation are provided solely for implementing Engrossed Substitute House Bill No. 1810 (hazardous substance cleanup). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(3) \$581,000 of the general fund--state appropriation, \$170,000 of the air operating permit account appropriation, \$80,000 of the water quality permit account appropriation, and \$63,000 of the state toxics control account appropriation are provided solely for implementing Engrossed Substitute House Bill No. 1010 (regulatory reform). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(4) \$2,000,000 of the state toxics control account appropriation is provided solely for the following purposes:

(a) To conduct remedial actions for sites for which there are no potentially liable persons or for which potentially liable persons cannot be found;

(b) To provide funding to assist potentially liable persons under RCW 70.105D.070(2)(d)(xi) to pay for the cost of the remedial actions; and

(c) To conduct remedial actions for sites for which potentially liable persons have refused to comply with the orders issued by the department under RCW 70.105D.030 requiring the persons to provide the remedial action.

(5) \$250,000 of the flood control assistance account is provided solely for a grant or contract to the lead local entity for technical analysis and coordination with the Army Corps of Engineers and local agencies to address the breach in the south jetty at the entrance of Grays Harbor.

(6) \$70,000 of the general fund--state appropriation, \$90,000 of the state toxics control account appropriation, and \$55,000 of the air pollution control account appropriation are provided solely to implement Engrossed Substitute House Bill No. 1724 (growth management). If the bill is not enacted by June 30, 1995, the amounts provided in this subsection shall lapse.

(7) If Engrossed Substitute House Bill No. 1125 (dam safety inspections), or substantially similar legislation, is not enacted by June 30, 1995, then the department shall not expend any funds appropriated in this section for any regulatory activity authorized under RCW 90.03.350 with respect to hydroelectric facilities which

require a license under the federal power act, 16 ASCUS Sec. 791a et seq. If Engrossed Substitute House Bill No. 1125, or substantially similar legislation, is enacted by June 30, 1995, then the department may apply all available funds appropriated under this section for regulatory activity authorized under RCW 90.03.350 for the purposes of inspecting and regulating the safety of dams under the exclusive jurisdiction of the state.

(8) \$425,000 of the general fund--state appropriation and \$525,000 of the general fund--federal appropriation are provided solely for the Padilla Bay national estuarine research reserve and interpretive center.

(9) The water right permit processing account is hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used solely for water right permit processing and expenses associated with the Yakima adjudication.

(10) \$1,298,000 of the general fund--state appropriation, \$188,000 of the general fund--federal appropriation, and \$883,000 of the water quality account appropriation are provided solely to coordinate and implement the activities required by the Puget Sound water quality management plan and to perform the powers and duties under chapter 90.70 RCW.

~~((12))~~ (11) \$331,000 of the flood control assistance account appropriation is provided solely for the implementation of flood reduction plans. Of this amount, \$250,000 is to implement the Mason county flood reduction plan and \$81,000 is to implement the Chelan/Douglas county flood reduction plan.

~~((13))~~ (12) Within the air pollution control account appropriation, the department shall continue monitoring air quality in the Northport area.

~~((14))~~ (13) \$60,000 of the freshwater aquatic weeds account appropriation is provided solely for a grant to the department of fish and wildlife to control and eradicate purple loosestrife using the most cost-effective methods available, including chemical control where appropriate.

~~((15))~~ (14) Within the funds appropriated in this section, the department shall prepare a report regarding the feasibility of pollution reduction target measures for point source facilities that are based on actual facility outputs rather than technologies used within a facility. In preparing the report the department shall

create and seek recommendations from an advisory committee consisting of business, local government, and environmental representatives. The department shall submit the report to the appropriate committees of the legislature by November 30, 1996.

((~~(16)~~)) (15) \$700,000 of the flood control assistance account appropriation is provided solely for the study and abatement of coastal erosion in the region of Willapa bay, Grays Harbor, and the lower Columbia river.

((~~(17)~~)) (16) \$5,000,000 of the flood control assistance account appropriation is provided solely for grants to assist local governments in repairing or replacing dikes and levees (~~((damaged in the November 1995 and February 1996 flood events))~~) and updating local flood control plans, implementation of local flood control plans, and the development and implementation of public awareness measures.

((~~(18)~~)) (17) \$500,000 of the local toxics control account appropriation is provided solely to satisfy nonfederal cost-sharing requirements for the Puget Sound confined disposal site feasibility study to be conducted jointly with the United States army corps of engineers. The study will address site design, construction standards, operational requirements, and funding necessary to establish a disposal site for contaminated aquatic sediments.

((~~(19)~~)) (18) \$1,100,000 of the air pollution control account appropriation is provided solely for grants to local air pollution control authorities to expedite the redesignation of nonattainment areas. These funds shall not be used to supplant existing local funding sources for air pollution control authority programs. Of the amount allocated to the southwest Washington air pollution control authority, \$25,000 is provided solely for the University of Washington to review a study by the southwest air pollution control authority on sources contributing to atmospheric ozone.

((~~(20)~~)) (19) \$250,000 of the water right permit processing account appropriation is provided solely for additional staff and associated costs to support the Yakima county superior court in adjudicating water rights in the Yakima river basin.

((~~(21)~~)) (20) \$590,000 of the general fund--state appropriation, \$65,000 of the waste reduction, recycling, and litter control account appropriation, \$65,000 of the state toxics control account appropriation, \$250,000 of the air pollution control account appropriation, and \$130,000 of the water pollution control revolving

account--federal appropriation are provided solely for implementation of the department's information integration project.

((~~22~~)) (21) \$300,000 of the general fund--state appropriation is provided solely for payment of attorneys' fees pursuant to *Rettkowski v. Washington*, (cause no. 62718-5).

**Sec. 1202.** 1996 c 283 s 302 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

General Fund--State Appropriation (FY 1996)....	\$	18,145,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((18,202,000))</del>
		<u>21,602,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
..... 1,930,000		
General Fund--Private/Local Appropriation.....	\$	31,000
Winter Recreation Program Account		
Appropriation.....	\$	725,000
Off Road Vehicle Account Appropriation.....	\$	241,000
Snowmobile Account Appropriation.....	\$	2,174,000
Aquatic Lands Enhancement Account		
Appropriation.....	\$	313,000
Public Safety and Education Account		
Appropriation.....	\$	48,000
Industrial Insurance Premium Refund Account		
Appropriation.....	\$	10,000
Waste Reduction, Recycling, and Litter Control		
Account Appropriation.....	\$	34,000
Water Trail Program Account Appropriation.....	\$	26,000
Parks Renewal and Stewardship Account		
Appropriation.....	\$	<del>((23,893,000))</del>
		<u>21,493,000</u>
TOTAL APPROPRIATION.....	\$	<del>((65,772,000))</del>
		<u>66,772,000</u>

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

(1) \$189,000 of the aquatic lands enhancement account appropriation is provided solely to implement the Puget Sound water quality plan.

(2) The general fund--state appropriation and the parks renewal and stewardship account appropriation are provided to maintain full funding and continued operation of all state parks and state parks facilities.

(3) \$1,800,000 of the general fund--state appropriation is provided solely for the Washington conservation corps program established under chapter 43.220 RCW.

(4) \$3,591,000 of the parks renewal and stewardship account appropriation is provided for the operation of a centralized reservation system, to expand marketing, to enhance concession review, and for other revenue generating activities.

~~((5) \$100,000 of the general fund--state appropriation is provided solely for a state match to local funds to prepare a master plan for Mt. Spokane state park.))~~

**Sec. 1203.** 1995 2nd sp.s. c 18 s 306 (uncodified) is amended to read as follows:

**FOR THE ENVIRONMENTAL HEARINGS OFFICE**

General Fund Appropriation (FY 1996).....	\$	715,000
General Fund Appropriation (FY 1997).....	\$	<del>((713,000))</del>
		<u>738,000</u>
TOTAL APPROPRIATION.....	\$	<del>((1,428,000))</del>
		<u>1,453,000</u>

**Sec. 1204.** 1996 c 283 s 304 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund--State Appropriation (FY 1996)....	\$	33,187,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((33,701,000))</del>
		<u>36,019,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		<del>((54,098,000))</del>
		<u>57,578,000</u>
General Fund--Private/Local Appropriation.....	\$	<del>((15,986,000))</del>
		<u>19,837,000</u>
Off Road Vehicle Account Appropriation.....	\$	476,000
Aquatic Lands Enhancement Account		
Appropriation.....	\$	<del>((5,412,000))</del>
		<u>5,421,000</u>

Public Safety and Education Account	
Appropriation.....	\$                  590,000
Industrial Insurance Premium Refund Account	
Appropriation.....	\$          ( <del>156,000</del> )
	<u>400,000</u>
Recreational Fisheries Enhancement Account	
Appropriation.....	\$          2,217,000
Wildlife Account	
Appropriation.....	\$.....
..... ( <del>50,003,000</del> )	
	<u>50,653,000</u>
Special Wildlife Account Appropriation.....	\$          ( <del>1,884,000</del> )
	<u>2,634,000</u>
Oil Spill Administration Account	
Appropriation.....	\$          831,000
Warm Water Game Fish Account Appropriation.....	\$          980,000
TOTAL APPROPRIATION.....	\$          ( <del>199,521,000</del> )
	<u>210,823,000</u>

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

(1) \$1,532,000 of the general fund--state appropriation is provided solely to implement the Puget Sound water quality management plan.

(2) \$250,000 of the general fund--state appropriation is provided solely for attorney general costs on behalf of the department of fisheries, department of natural resources, department of health, and the state parks and recreation commission in defending the state and public interests in tribal shellfish litigation (*United States v. Washington*, subproceeding 89-3). The attorney general costs shall be paid as an interagency reimbursement.

(3) \$350,000 of the wildlife account appropriation and \$145,000 of the general fund--state appropriation are provided solely for control and eradication of class B designate weeds on department owned and managed lands. The general fund--state appropriation is provided solely for control of spartina. The department shall use the most cost-effective methods available, including chemical control where appropriate, and report to the appropriate committees of the legislature by January 1, 1997, on control methods, costs, and acres treated during the previous year.

(4) \$250,000 of the general fund--state appropriation is provided solely for costs associated with warm water fish production. Expenditure of this amount shall be consistent with the goals established under RCW 77.12.710 for development of a warm water fish program. No portion of this amount may be expended for any type of feasibility study.

(5) \$634,000 of the general fund--state appropriation and \$50,000 of the wildlife account appropriation are provided solely to implement Engrossed Substitute House Bill No. 1010 (regulatory reform). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(6) \$2,000,000 of the general fund--state appropriation is provided solely for implementation of Second Substitute Senate Bill No. 5157 (mass marking), chapter 372, Laws of 1995, under the following conditions:

(a) If, by October 1, 1995, the state reaches agreement with Canada on a marking and detection program, implementation will begin with the 1994 Puget Sound brood coho.

(b) If, by October 1, 1995, the state does not reach agreement with Canada on a marking and detection program, a pilot project shall be conducted with 1994 Puget Sound brood coho.

(c) Full implementation will begin with the 1995 brood coho.

(d) \$700,000 of the department's equipment funding and \$300,000 of the department's administration funding will be redirected toward implementation of Second Substitute Senate Bill No. 5157 during the 1995-97 biennium.

(7) The department shall request a reclassification study be conducted by the personnel resources board for hatchery staff. Any implementation of the study, if approved by the board, shall be pursuant to section 911 of this act.

(8) Within the appropriations in this section, the department shall maintain the Issaquah hatchery at the current 1993-95 operational level.

(9) \$140,000 of the wildlife account appropriation is provided solely for a cooperative effort with the department of agriculture for research and eradication of purple loosestrife on state lands. The department shall use the most cost-effective methods available, including chemical control where appropriate, and report to the appropriate committees of the legislature by January 1, 1997, on control methods, costs, and acres treated during the previous year.

(10) \$110,000 of the aquatic lands enhancement account appropriation may be used for publishing a brochure concerning hydraulic permit application requirements for the control of spartina and purple loosestrife.

(11) \$530,000 of the general fund--state appropriation is provided solely for providing technical assistance to landowners and for reviewing plans submitted to the state pursuant to the forest practices board's proposed rules for the northern spotted owl. If the rules are not adopted by September 1, 1996, the amount provided in this subsection shall lapse.

(12) \$145,000 of the general fund--state appropriation is provided solely for the fish and wildlife commission to support additional commission meetings, briefings, and other activities necessary to ensure effective implementation of Referendum No. 45 during the 1995-97 biennium.

(13) \$980,000 of the warm water game fish account appropriation is provided solely for implementation of the warm water game fish enhancement program pursuant to Fourth Substitute Senate Bill No. 5159. If the bill or substantially similar legislation is not enacted by June 30, 1996, the amount provided in this subsection shall lapse.

(14) \$15,000 of the fiscal year 1997 general fund--state appropriation and \$85,000 of the wildlife account appropriation are provided solely for the payment of claims during fiscal year 1997 arising from damages to crops by wildlife, pursuant to Second Substitute Senate Bill No. 6146 (wildlife claims). If the bill is not enacted by June 30, 1996, the amounts provided in this subsection shall lapse.

(15) \$((~~813,000~~)) 1,319,000 of the general fund--state appropriation is provided solely to operate Columbia river fish hatcheries for which federal funding has been reduced.

(16) \$1,438,000 of the fiscal year 1997 general fund--state appropriation is provided solely for the emergency feeding of deer and elk that may be starving and that are posing a risk to private property due to severe winter conditions during the winter of 1996-97.

(17) Up to \$400,000 of the wildlife account appropriation may be expended for unanticipated unemployment compensation costs to the extent that additional revenues are realized from audits of license vendors.

Sec. 1205. 1996 c 283 s 305 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund--State Appropriation (FY 1996)....	\$	20,325,000	
General Fund--State Appropriation (FY 1997)....	\$	<del>((20,424,000))</del>	
		<u>28,739,000</u>	
General			Fund--Federal
Appropriation.....	\$		
..... 3,024,000			
General Fund--Private/Local Appropriation.....	\$	414,000	
Forest			Development
Appropriation.....	\$		Account
..... 41,608,000			
Off Road Vehicle Account Appropriation.....	\$	3,074,000	
Surveys and Maps Account Appropriation.....	\$	1,788,000	
Aquatic Lands Enhancement Account Appropriation	\$	2,512,000	
Resource Management Cost Account Appropriation.	\$	11,624,000	
Waste Reduction, Recycling, and Litter Control			
Account Appropriation.....	\$	440,000	
Surface Mining Reclamation Account			
Appropriation.....	\$	1,273,000	
Wildlife			Account
Appropriation.....	\$		
..... 1,300,000			
Water			Quality
Appropriation.....	\$		Account
..... 6,000,000			
Aquatic Land Dredged Material Disposal Site			
Account Appropriation.....	\$	734,000	
Natural Resources Conservation Areas Stewardship			
Account Appropriation.....	\$	1,003,000	
Air Pollution Control Account Appropriation....	\$	921,000	
Watershed Restoration Account Appropriation....	\$	1,600,000	
Metals Mining Account Appropriation.....			\$
41,000			
Industrial Insurance Premium Refund Account			
Appropriation.....	\$	62,000	
TOTAL APPROPRIATION.....	\$	<del>((118,167,000))</del>	
		<u>126,482,000</u>	

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

(1) \$((~~7,998,000~~)) 12,113,000 of the general fund--state appropriation is provided solely for the emergency fire suppression subprogram.

(2) \$36,000 of the general fund--state appropriations is provided solely for the implementation of the Puget Sound water quality management plan. In addition, \$957,000 of the aquatics lands enhancement account is provided for the implementation of the Puget Sound water quality management plan.

(3) \$450,000 of the resource management cost account appropriation is provided solely for the control and eradication of class B designate weeds on state lands. The department shall use the most cost-effective methods available, including chemical control where appropriate, and report to the appropriate committees of the legislature by January 1, 1997, on control methods, costs, and acres treated during the previous year.

(4) \$22,000 of the general fund--state appropriation is provided solely to implement Substitute House Bill No. 1437 (amateur radio repeater sites). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(5) \$49,000 of the air pollution control account appropriation is provided solely to implement Substitute House Bill No. 1287 (silvicultural burning). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(6) \$290,000 of the general fund--state appropriation, \$10,000 of the surface mining reclamation account appropriation, and \$29,000 of the air pollution control account appropriation are provided solely to implement Engrossed Substitute House Bill No. 1010 (regulatory reform). If this bill is not enacted by June 30, 1995, the amounts provided in this subsection shall lapse.

(7) By September 30, 1995, the agency shall report to the appropriate fiscal committees of the legislature on fire suppression costs incurred during the 1993-95 biennium. The report shall provide the following information: (a) An object breakdown of costs for the 1993-95 fire suppression subprogram; (b) the amount of reimbursement provided for personnel, services, and equipment outside the agency; (c) FTE levels and salary amounts by fund of positions backfilled as a result of the fires; (d) overtime costs paid to agency personnel; (e) equipment replacement costs, and (f) final allocation of costs for the

Hatchery and Tye fires between the United States forest service, local governments, and the state.

(8) By December 1, 1995, the department shall report to the house committee on natural resources and the senate committee on natural resources on measures taken to improve the health of the Loomis state forest.

(9) \$13,000 of the general fund--state appropriation is provided solely to pay a portion of the rent charged to nonprofit television reception improvement districts pursuant to chapter 294, Laws of 1994.

(10) \$1,200,000 of the general fund--state appropriation is provided solely for cooperative monitoring, evaluation, and research projects related to implementation of the timber-fish-wildlife agreement.

(11) Up to \$572,000 of the general fund--state appropriation may be expended for the natural heritage program.

(12) \$13,600,000 of which \$1,600,000 is from the watershed restoration account appropriation, \$1,300,000 is from the wildlife account appropriation, \$2,500,000 is from the resource management cost account appropriation, \$500,000 is from the forest development account appropriation, \$6,000,000 is from the water quality account appropriation, and \$1,700,000 is from the general fund--federal appropriation, is provided solely for the jobs in the environment program and/or the watershed restoration partnership program.

(a) These funds shall be used to:

(i) Restore and protect watersheds in accordance with priorities established to benefit fish stocks in critical or depressed condition as determined by the watershed coordinating council;

(ii) Conduct watershed restoration and protection projects primarily on state lands in coordination with federal, local, tribal, and private sector efforts; and

(iii) Create market wage jobs in environmental restoration for displaced natural resource impact area workers, as defined under Second Substitute Senate Bill No. 5342 (rural natural resource impact areas).

(b) Except as provided in subsection (c) of this section, these amounts are solely for projects jointly selected by the department of natural resources and the department of fish and wildlife. Funds may be expended for planning, design, and engineering for projects that restore and protect priority watersheds identified by the watershed coordinating council and conform to priorities for fish stock recovery

developed through watershed analysis conducted by the department of natural resources and the department of fish and wildlife. Funds expended shall be used for specific projects and not for on-going operational costs. Eligible projects include, but are not limited to, closure or improvement of forest roads, repair of culverts, clean-up of stream beds, removal of fish barriers, installation of fish screens, fencing of streams, and construction and planting of fish cover.

(c) The department of natural resources and the department of fish and wildlife, in consultation with the watershed coordinating council, the office of financial management, and other appropriate agencies, shall report to the appropriate committees of the legislature on January 1, 1996, and annually thereafter, on any expenditures made from these amounts and a plan for future use of the moneys provided in this subsection. The plan shall include a prioritized list of watersheds and future watershed projects. The plan shall also consider future funding needs, the availability of federal funding, and the integration and coordination of existing watershed and protection programs.

(d) All projects shall be consistent with any development regulations or comprehensive plans adopted under the growth management act for the project areas. No funds shall be expended to acquire land through condemnation.

(e) Funds from the wildlife account appropriation shall be available only to the extent that the department of fish and wildlife sells surplus property.

(f) Funds from the resource management cost account appropriation shall only be used for projects on trust lands. Funds from the forest development account shall only be used for projects on county forest board lands.

(g) Projects under contract as of June 1, 1995 will be given first priority.

(13) \$3,662,000 of the forest development account appropriation is provided solely to prepare forest board lands for harvest. To the extent possible, the department shall use funds provided in this subsection to hire unemployed timber workers to perform silviculture activities, address forest health concerns, and repair damages on these lands.

(14) \$375,000 of the water quality account appropriation is provided solely for a grant to the department of ecology for

continuing the Washington conservation corps program in fiscal year 1997.

(15) \$1,306,000 of the resource management cost account appropriation is provided solely for forest-health related management activities at the Loomis state forest.

(16) \$363,000 of the natural resources conservation areas stewardship account appropriation is provided solely for site-based management of state-owned natural area preserves and natural resource conservation areas.

**Sec. 1206.** 1996 c 283 s 306 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF AGRICULTURE**

General Fund--State Appropriation (FY 1996)....	\$	7,100,000
General Fund--State Appropriation (FY 1997) ...	\$	<del>((7,157,000))</del>
		<u>7,372,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		<del>((5,168,000))</del>
		<u>5,343,000</u>
General Fund--Private/Local Appropriation.....	\$	406,000
Aquatic Lands Enhancement Account		
Appropriation.....	\$	800,000
Industrial Insurance Premium Refund Account		
Appropriation.....	\$	178,000
State Toxics Control Account Appropriation.....	\$	1,088,000
TOTAL APPROPRIATION.....	\$	<del>((21,897,000))</del>
		<u>22,287,000</u>

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

(1) \$300,000 of the general fund--state appropriation is provided solely for consumer protection activities of the department's weights and measures program. Moneys provided in this subsection may not be used for device inspection of the weights and measures program.

(2) \$142,000 of the general fund--state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 1010 (regulatory reform). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

(3) \$100,000 of the general fund--state appropriation is provided solely for grasshopper and mormon cricket control.

(4) \$200,000 of the general fund--state appropriation is provided solely for the agricultural showcase.

(5) \$((~~724,000~~)) 939,000 of the general fund--state appropriation and \$((~~891,000~~)) 1,066,000 of the general fund--federal appropriation are provided solely to monitor and eradicate the Asian gypsy moth.

(6) \$71,000 of the general fund--state appropriation is provided solely to implement the Puget Sound water quality management plan.

(End of part)

**PART XIII**  
**TRANSPORTATION**

**Sec. 1301.** 1996 c 283 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE PATROL**

General Fund--State Appropriation (FY 1996)....	\$	8,011,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((11,232,000))</del>
		<u>12,321,000</u>
General		Fund--Federal
Appropriation.....	\$.....	
.....		<del>((1,035,000))</del>
		<u>1,650,000</u>
General Fund--Private/Local Appropriation.....	\$	<del>((254,000))</del>
		<u>271,000</u>
Public Safety and Education Account		
Appropriation.....	\$	4,492,000
County Criminal Justice Assistance		
Appropriation.....	\$	3,572,000
Municipal Criminal Justice Assistance Account		
Appropriation.....	\$	1,430,000
Fire Services Trust Account Appropriation.....	\$	90,000
Fire Services Training Account Appropriation...	\$	1,740,000
State Toxics Control Account Appropriation.....	\$	425,000
Violence Reduction and Drug Enforcement		
Account Appropriation.....	\$	2,133,000
TOTAL APPROPRIATION.....	\$	<del>((34,414,000))</del>
		<u>36,135,000</u>

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

- (1) Expenditures from the nonappropriated fingerprint identification account for the automation of pre-employment background checks for public and private employers and background checks for firearms dealers and firearm purchasers are subject to office of financial management approval of a completed feasibility study.
- (2) Expenditures from the county criminal justice assistance account appropriation and municipal criminal justice assistance

account appropriation in this section shall be expended solely for enhancements to crime lab services.

(3) The Washington state patrol shall report to the department of information services and office of financial management by October 30, 1995, on the implementation and financing plan for the state-wide integrated narcotics system.

(4) \$300,000 of the violence reduction and drug enforcement account appropriation is provided solely for enhancements to the organized crime intelligence unit.

(5) \$813,000 of the general fund--state fiscal year 1996 appropriation and \$((~~3,247,000~~)) 4,336,000 of the general fund--state fiscal year 1997 appropriation are provided solely for the implementation of Second Substitute Senate Bill No. 6272 (background checks for school employees). If the bill is not enacted by June 30, 1996, the amounts provided in this subsection shall lapse. Expenditures of the amounts specified in this subsection shall be expended at the following rate: As the state patrol initiates the fingerprint process on a school employee, sixty-six dollars shall be transferred from the amounts specified in this subsection into the fingerprint identification account. Upon completion of the background check, seven dollars of this amount shall be transferred by the state patrol to the superintendent of public instruction for final disposition of the records check.

(End of part)

**PART XIV  
EDUCATION**

**Sec. 1401.** 1996 c 283 s 501 (uncodified) is amended to read as follows:

<b>FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STATE ADMINISTRATION</b>	
General Fund--State Appropriation (FY 1996)....	\$ 18,421,000
General Fund--State Appropriation (FY 1997)....	\$ (( <del>37,689,000</del> ))
	<u>40,014,000</u>
General	Fund--Federal
Appropriation.....	\$.....
..... 39,791,000	
Health Services Account Appropriation.....	\$ 850,000
Public Safety and Education Account	
Appropriation.....	\$ 3,138,000
Violence Reduction and Drug Enforcement Account	
Appropriation.....	\$ 3,122,000
TOTAL APPROPRIATION.....	\$ (( <del>103,011,000</del> ))
	<u>105,336,000</u>

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

(1) AGENCY OPERATIONS

(a) \$770,000 of the general fund--state appropriation is provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(b) \$659,000 of the general fund--state appropriation is provided solely for investigation activities of the office of professional practices.

(c) \$1,700,000 of the general fund--state appropriation is provided solely to reprogram computer applications for collecting and processing school fiscal, personnel, and student data and for calculating apportionment payments and to upgrade agency computer hardware. A maximum of \$600,000 of this amount shall be used for computer hardware.

By December 15, 1995, and before implementation of a new state-wide data system, the superintendent shall present a plan to the house of representatives and senate education and fiscal committees which

identifies state data base uses that could involve potentially sensitive data on students and parents. The plan shall detail methods that the superintendent shall employ internally and recommend to school organizations to insure integrity and proper use of data in any student data base, with particular attention to eliminating unnecessary and intrusive data about nonschool related information.

(d) \$338,000 of the public safety and education account appropriation is provided solely for administration of the traffic safety education program, including in-service training related to instruction in the risks of driving while under the influence of alcohol and other drugs.

(e) The superintendent of public instruction shall develop standards and rules for disposal of surplus technology equipment accounting for proper depreciation and maximum benefit to the district from the disposal.

(2) STATE-WIDE PROGRAMS

(a) \$2,174,000 of the general fund--state appropriation is provided for in-service training and educational programs conducted by the Pacific Science Center.

(b) \$63,000 of the general fund--state appropriation is provided for operation of the Cispus environmental learning center.

(c) \$2,654,000 of the general fund--state appropriation is provided for educational centers, including state support activities.

(d) \$3,093,000 of the general fund--state appropriation is provided for grants for magnet schools to be distributed as recommended by the superintendent of public instruction pursuant to chapter 232, section 516(13), Laws of 1992.

(e) \$4,370,000 of the general fund--state appropriation is provided for complex need grants. Grants shall be provided according to funding ratios established in LEAP Document 30C as developed on May 21, 1995, at 23:46 hours.

(f) \$3,050,000 of the drug enforcement and education account appropriation and \$2,800,000 of the public safety and education account appropriation are provided solely for matching grants to enhance security in schools. Not more than seventy-five percent of a district's total expenditures for school security in any school year may be paid from a grant under this subsection. The grants shall be expended solely for the costs of employing or contracting for building security monitors in schools during school hours and school events. Of the amount provided in this subsection, at least

\$2,850,000 shall be spent for grants to districts that, during the 1988-89 school year, employed or contracted for security monitors in schools during school hours. However, these grants may be used only for increases in school district expenditures for school security over expenditure levels for the 1988-89 school year.

(g) Districts receiving allocations from subsections (2) (d) and (e) of this section shall submit an annual report to the superintendent of public instruction on the use of all district resources to address the educational needs of at-risk students in each school building. The superintendent of public instruction shall make copies of the reports available to the office of financial management and the legislature.

(h) \$500,000 of the general fund--federal appropriation is provided for plan development and coordination as required by the federal goals 2000: Educate America Act. The superintendent shall collaborate with the commission on student learning for the plan development and coordination and submit quarterly reports on the plan development to the education committees of the legislature.

(i) \$850,000 of the health services account appropriation is provided solely for media productions by students to focus on issues and consequences of teenage pregnancy and child rearing. The projects shall be consistent with the provisions of Engrossed Second Substitute House Bill No. 2798 as passed by the 1994 legislature, including a local/private or public sector match equal to fifty percent of the state grant; and shall be awarded to schools or consortia not granted funds in 1993-94. \$450,000 of this amount is for costs of new projects not funded in the 1995-96 school year.

(j) \$7,000 of the general fund--state appropriation is provided to the state board of education to establish teacher competencies in the instruction of braille to legally blind and visually impaired students.

(k) \$50,000 of the general fund--state appropriation is provided solely for matching grants to school districts for analysis of budgets for classroom-related activities as specified in chapter 230, Laws of 1995.

(l) \$3,050,000 of the general fund--state appropriation is provided solely to implement Engrossed Second Substitute Senate Bill No. 5439 (nonoffender at-risk youth). Of that amount, \$50,000 is provided for a contract in fiscal year 1996 to the Washington state institute for public policy to conduct an evaluation and review as

outlined in section 81 of Engrossed Second Substitute Senate Bill No. 5439. Allocation of the remaining amount shall be based on the number of petitions filed in each district.

(m) \$300,000 of the general fund--state appropriation is provided for alcohol and drug prevention programs pursuant to RCW 66.08.180.

(n) \$1,500,000 of the general fund--state appropriation is provided for implementation of Engrossed Second Substitute House Bill No. 2909 (reading literacy). Of this amount: (i) \$100,000 is for the center for the improvement of student learning's activities related to identifying effective reading programs, providing information on effective reading programs, and developing training programs for educators on effective reading instruction and assessment; (ii) \$500,000 is for grants as specified in section 2 of the bill to provide incentives for the use of the effective reading programs; and (iii) \$900,000 is for reading instruction and reading assessment training programs for educators as specified in section 3 of the bill.

(o) \$5,000,000 of the general fund--state appropriation is provided to update high-technology vocational education equipment in the 1996-97 school year. Of this amount, \$303,000 shall be allocated to skill centers. The superintendent shall allocate the remaining funds at a maximum rate of \$91.46 per full-time equivalent vocational education student excluding skill center students. The funds shall be allocated prior to June 30, 1997.

(p) \$10,000,000 of the general fund--state appropriation is provided solely for technology grants to school districts and for per diem and travel costs of the technology education committee for school years 1995-96 and 1996-97. A district is eligible for a grant if it either has ongoing programs emphasizing specific approaches to learning assisted by technology or it is identified by the center for the improvement of student learning based on best practices; and

(i) The district is part of a consortium, of at least two school districts, formed to pool resources to maximize technology related acquisitions, to start up new programs or new staff development, and to share advantages of the consortium with other districts;

(ii) The district will match state funds, on an equal value basis, with a combination of:

(A) Contributions through partnerships with technology companies, educational service districts, institutions of higher education, community and technical colleges, or any other organization with expertise in applications of technology to learning which are willing

to assist school districts in applying technology to the learning process through in-kind assistance; and

(B) School district funds; and

(iii) The district has plans and means for evaluating the improvement in student learning resulting from the technology-based strategies of the district.

To the extent that funds are available, school districts that meet the criteria of this subsection shall be provided grants under this subsection in the order they are prioritized by the technology education committee and for no more than \$600 per student in the proposed program.

The superintendent of public instruction shall appoint a technology education committee to develop an application and review process for awarding the technology grants established in this subsection. The committee shall be appointed by the superintendent and shall consist of five representatives from technology companies, five technology coordinators representing educational service districts, and five school district representatives. Committee members shall serve without additional compensation but shall be eligible for per diem and mileage allowances pursuant to RCW 43.03.050 and 43.03.060. The superintendent shall award the first round of technology grants based on the recommendation of the technology education committee by July 1, 1996. No more than fifty percent of funds provided in this appropriation shall be allocated in the first round of awards.

(q) \$2,000,000 of the general fund--state appropriation is provided for start-up grants to establish alternative programs for students who have been truant, suspended, or expelled or are subject to other disciplinary actions in accordance with section 10 of Substitute House Bill No. 2640 (changing truancy provisions).

(r) \$50,000 of the general fund--state appropriation is provided solely for allocation to the primary coordinators of the state geographic alliance for the purpose of improving the teaching of geography in the common school system.

(s) \$100,000 of the general fund--state appropriation is provided solely for a contract for a feasibility analysis and implementation plan to provide the resources of a skill center for students in the area served by the north central educational service district.

(t) \$1,000,000 of the general fund--state appropriation is provided for conflict resolution and anger management training.

(u) \$2,325,000 of the general fund--state appropriation is provided solely for allocation to the north central Washington skills center for payment of long-term leases, remodeling, equipment, supplies, and materials.

Sec. 1402. 1996 c 283 s 502 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT (BASIC EDUCATION)**

General Fund Appropriation (FY 1996).....	\$	3,166,013,000
General Fund Appropriation (FY 1997).....	\$	(( <del>3,261,992,000</del> ))
		<u>3,253,778,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>6,428,005,000</del> ))
		<u>6,419,791,000</u>

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

(1) The appropriation includes such funds as are necessary for the remaining months of the 1994-95 school year.

(2) Allocations for certificated staff salaries for the 1995-96 and 1996-97 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (d) through (f) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

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

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

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

(iii) An additional 5.3 certificated instructional staff units for grades K-3. Any funds allocated for these additional certificated units shall not be considered as basic education funding;

(A) Funds provided under this subsection (2)(a)(iii) in excess of the amount required to maintain the statutory minimum ratio established under RCW 28A.150.260(2)(b) shall be allocated only if the district documents an actual ratio equal to or greater than 54.3 certificated instructional staff per thousand full-time equivalent students in grades K-3. For any school district documenting a lower certificated instructional staff ratio, the allocation shall be based on the district's actual grades K-3 certificated instructional staff ratio achieved in that school year, or the statutory minimum ratio established under RCW 28A.150.260(2)(b), if greater;

(B) Districts at or above 51.0 certificated instructional staff per one thousand full-time equivalent students in grades K-3 may dedicate up to 1.3 of the 54.3 funding ratio to employ additional classified instructional assistants assigned to basic education classrooms in grades K-3. For purposes of documenting a district's staff ratio under this section, funds used by the district to employ additional classified instructional assistants shall be converted to a certificated staff equivalent and added to the district's actual certificated instructional staff ratio. Additional classified instructional assistants, for the purposes of this subsection, shall be determined using the 1989-90 school year as the base year;

(C) Any district maintaining a ratio equal to or greater than 54.3 certificated instructional staff per thousand full-time equivalent students in grades K-3 may use allocations generated under this subsection (2)(a)(iii) in excess of that required to maintain the minimum ratio established under RCW 28A.150.260(2)(b) to employ additional basic education certificated instructional staff or classified instructional assistants in grades 4-6. Funds allocated under this subsection (2)(a)(iii) shall only be expended to reduce class size in grades K-6. No more than 1.3 of the certificated instructional funding ratio amount may be expended for provision of classified instructional assistants; and

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

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent enrollment count by 5 percent, an additional state allocation of 110 percent of the share that such increased enrollment would have generated had such additional full-time equivalent students

been included in the normal enrollment count for that particular month;

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

(i) Vocational education programs approved by the superintendent of public instruction, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 18.3 full-time equivalent vocational students;

(ii) Skills center programs approved by the superintendent of public instruction, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students; and

(iii) Indirect cost charges to vocational-secondary programs shall not exceed 10 percent;

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

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

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

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

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

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

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

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

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

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

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

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

(3) Allocations for classified salaries for the 1995-96 and 1996-97 school years shall be calculated using formula-generated classified staff units determined as follows:

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

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

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

(4) Fringe benefit allocations shall be calculated at a rate of 20.71 percent in the 1995-96 school year and 20.71 percent in the 1996-97 school year of certificated salary allocations provided under subsection (2) of this section, and a rate of 18.77 percent in the 1995-96 school year and 18.77 percent in the 1996-97 school year of classified salary allocations provided under subsection (3) of this section.

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

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

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

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of \$7,656 per certificated staff unit in the 1995-96 school year and a maximum of \$7,786 per certificated staff unit in the 1996-97 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c) of this section, there shall be provided a maximum of \$14,587 per certificated staff unit in the 1995-96 school year and a maximum of \$14,835 per certificated staff unit in the 1996-97 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maximum rate of \$341 for the 1995-96 school year and \$341 per year for the 1996-97 school year per allocated classroom teacher excluding salary adjustments made in section 504 of this

act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported state-wide for the 1994-95 school year.

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

(9) The superintendent may distribute a maximum of \$5,820,000 outside the basic education formula during fiscal years 1996 and 1997 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of \$431,000 may be expended in fiscal year 1996 and a maximum of \$444,000 may be expended in fiscal year 1997;

(b) For summer vocational programs at skills centers, a maximum of \$1,938,000 may be expended in fiscal year 1996 and a maximum of \$1,948,000 may be expended in fiscal year 1997;

(c) A maximum of \$309,000 may be expended for school district emergencies; and

(d) A maximum of \$250,000 may be expended for fiscal year 1996 and a maximum of \$500,000 may be expended for fiscal year 1997 for programs providing skills training for secondary students who are at risk of academic failure or who have dropped out of school and are enrolled in the extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs.

(10) For the purposes of RCW 84.52.0531, the increase per full-time equivalent student in state basic education appropriations provided under this act, including appropriations for salary and benefits increases, is 2.2 percent from the 1994-95 school year to the

1995-96 school year, and 1.3 percent from the 1995-96 school year to the 1996-97 school year.

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

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

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

**Sec. 1403.** 1996 c 283 s 504 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

General Fund Appropriation (FY 1996).....	\$	96,201,000
General Fund Appropriation (FY 1997).....	\$	(( <del>122,763,000</del> ))
		<u>122,394,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>218,964,000</del> ))
		<u>218,595,000</u>

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

(1) \$217,835,000 is provided for cost of living adjustments of 4.0 percent effective September 1, 1995, for state-formula staff units. The appropriation includes associated incremental fringe benefit allocations for both years at rates 20.07 percent for certificated staff and 15.27 percent for classified staff.

(a) The appropriation in this section includes the increased portion of salaries and incremental fringe benefits for all relevant state funded school programs in PART V of this act. Salary adjustments for state employees in the office of superintendent of public instruction and the education reform program are provided in the Special Appropriations sections of this act. Increases for

general apportionment (basic education) are based on the salary allocation schedules and methodology in section 503 of this act. Increases for special education result from increases in each district's basic education allocation per student. Increases for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in section 503 of this act.

(b) The appropriation in this section provides salary increase and incremental fringe benefit allocations for the following programs based on formula adjustments as follows:

(i) For pupil transportation, an increase of \$0.77 per weighted pupil-mile for the 1995-96 school year and maintained for the 1996-97 school year;

(ii) For learning assistance, an increase of \$11.24 per eligible student for the 1995-96 school year and maintained for the 1996-97 school year;

(iii) For education of highly capable students, an increase of \$8.76 per formula student for the 1995-96 school year and maintained for the 1996-97 school year; and

(iv) For transitional bilingual education, an increase of \$22.77 per eligible bilingual student for the 1995-96 school year and maintained for the 1996-97 school year.

(2) The maintenance rate for insurance benefits shall be \$313.95 for the 1995-96 school year and \$314.51 for the 1996-97 school year. Funding for insurance benefits is included within appropriations made in other sections of Part V of this act.

(3) Effective September 1, 1995, a maximum of \$1,129,000 is provided for a 4 percent increase in the state allocation for substitute teachers in the general apportionment programs.

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

**Sec. 1404.** 1996 c 283 s 505 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

General Fund Appropriation (FY 1996).....	\$	154,391,000
General Fund Appropriation (FY 1997).....	\$	<del>((174,362,000))</del>
		<u>172,633,000</u>
TOTAL APPROPRIATION.....	\$	<del>((328,753,000))</del>

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

(1) The appropriation includes such funds as are necessary for the remaining months of the 1994-95 school year.

(2) A maximum of \$1,347,000 may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district. The 1994 travel time to contiguous school district study shall be continued and a report submitted to the fiscal committees of the legislature by December 1, 1995.

(3) A maximum of \$40,000 is provided to complete the computerized state map project containing school bus routing information. This information and available data on school buildings shall be consolidated. Data formats shall be compatible with the geographic information system (GIS) and included insofar as possible in the GIS system.

(4) \$180,000 is provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.

(5) Beginning with the 1995-96 school year, the superintendent of public instruction shall implement a state bid process for the purchase of school buses pursuant to Engrossed Substitute Senate Bill No. 5408.

(6) Of this appropriation, a maximum of \$8,963,000 may be allocated in the 1995-96 school year for hazardous walking conditions. The superintendent shall ensure that the conditions specified in RCW 28A.160.160(4) for state funding of hazardous walking conditions for any district are fully and strictly adhered to, and that no funds are allocated in any instance in which a district is not actively and to the greatest extent possible engaged in efforts to mitigate hazardous walking conditions.

(7) For the 1996-97 school year, a maximum of \$13,546,000 may be allocated for transportation services in accordance with Senate Bill No. 6684 (student safety to and from school). A district's allocation shall be based on the number of enrolled students in grades

kindergarten through five living within one radius mile from their assigned school multiplied by 1.29. "Enrolled students in grades kindergarten through five" for purposes of this section means the number of kindergarten through five students, living within one radius mile, who are enrolled during the week that each district's bus ridership count is taken.

(8) The minimum load factor in the operations formula shall be calculated based on all students transported to and from school.

(9) For the 1996-97 school year, the superintendent of public instruction shall revise the expected bus lifetimes used for determining bus reimbursement and depreciation payments in the following manner:

(a) The twenty-year bus category shall be reduced to eighteen years; and

(b) The fifteen-year bus category shall be reduced to thirteen years.

**Sec. 1405.** 1996 c 283 s 506 (uncodified) is amended to read as follows:

**SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 1996)....	\$	379,771,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((368,149,000))</del>
		<u>355,111,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		98,684,000
TOTAL APPROPRIATION.....	\$	<del>((846,604,000))</del>
		<u>833,566,000</u>

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

(1) The general fund--state appropriation includes such funds as are necessary for the remaining months of the 1994-95 school year.

(2) In recognition of the need for increased flexibility at the local district level to facilitate the provision of appropriate education to children in need of special education, and the need for substantive educational reform for a significant portion of the school population, the funding formula for special education is modified. These changes result from a 1994 study and recommendations by the institute for public policy and the legislative budget

committee, aided by the office of the superintendent of public instruction and the statewide task force for the development of special education funding alternatives. The new formula is for allocation purposes only and is not intended to prescribe or imply any particular pattern of special education service delivery other than that contained in a properly formulated, locally determined, individualized education program.

(3) The superintendent of public instruction shall distribute state funds to school districts based on two categories, the mandatory special education program for special education students ages three to twenty-one and the optional birth through age two program for developmentally delayed infants and toddlers. The superintendent shall review current state eligibility criteria for the fourteen special education categories and consider changes which would reduce assessment time and administrative costs associated with the special education program.

(4) For the 1995-96 and 1996-97 school years, the superintendent shall distribute state funds to each district based on the sum of:

(a) A district's annual average headcount enrollment of developmentally delayed infants and toddlers ages birth through two, times the district's average basic education allocation per full-time equivalent student, times 1.15; and

(b) A district's annual average full-time equivalent basic education enrollment times the enrollment percent, times the district's average basic education allocation per full-time equivalent student times 0.9309.

(5) The definitions in this subsection apply throughout this section.

(a) "Average basic education allocation per full-time equivalent student" for a district shall be based on the staffing ratios required by RCW 28A.150.260 (i.e., 49/1000 certificated instructional staff in grades K-3, and 46/1000 in grades 4-12), and shall not include enhancements for K-3, secondary vocational education, or small schools.

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

(c) "Enrollment percent" shall mean the district's resident special education annual average enrollment including those students counted under the special education demonstration projects, excluding the birth through age two enrollment, as a percent of the district's annual average full-time equivalent basic education enrollment. For the 1995-96 and the 1996-97 school years, each district's enrollment percent shall be:

(i) For districts whose enrollment percent for 1994-95 was at or below 12.7 percent, the lesser of the district's actual enrollment percent for the school year for which the allocation is being determined or 12.7 percent.

(ii) For districts whose enrollment percent for 1994-95 was above 12.7 percent, the lesser of:

(A) The district's actual enrollment percent for the school year for which the special education allocation is being determined; or

(B) The district's actual enrollment percent for the school year immediately prior to the school year for which the special education allocation is being determined if not less than 12.7 percent; or

(C) For 1995-96, the 1994-95 enrollment percent reduced by 25 percent of the difference between the district's 1994-95 enrollment percent and 12.7. For 1996-97, the 1994-95 enrollment percent reduced by 50 percent of the difference between the district's 1994-95 enrollment percent and 12.7.

(6) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be 12.7, and shall be calculated in the aggregate rather than individual district units. For purposes of subsection (5) of this section, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(7) A minimum of \$4.5 million of the general fund--federal appropriation shall be expended for safety net funding to meet the extraordinary needs of individual special education students.

(8) From the general fund--state appropriation, \$14,600,000 is provided for the 1995-96 school year, and (~~(\$15,850,000)~~) a maximum of \$12,000,000 for the 1996-97 school year, for safety net purposes for districts with demonstrable funding needs for special education beyond the combined amounts provided in subsection (4) of this section. The superintendent of public instruction shall, by rule, establish

procedures and standards for allocation of safety net funds. In the 1995-96 school year, school districts shall submit their requests for safety net funds to the appropriate regional committee established by the superintendent of public instruction. Regional committees shall make recommendations to the state oversight committee for approval. For the 1996-97 school year, requests for safety net funds under this subsection shall be submitted to the state oversight committee. The following conditions and limitations shall be applicable to school districts requesting safety net funds:

(a) For a school district requesting state safety net funds due to special characteristics of the district and costs of providing services which differ significantly from the assumptions contained in the funding formula, the procedures and standards shall permit relief only if a district can demonstrate at a minimum that:

(i) Individualized education plans are appropriate and are properly and efficiently prepared and formulated;

(ii) The district is making a reasonable effort to provide appropriate program services for special education students utilizing state funds generated by the apportionment and special education funding formulas;

(iii) The district's programs are operated in a reasonably efficient manner and that the district has adopted a plan of action to contain or eliminate any unnecessary, duplicative, or inefficient practices;

(iv) Indirect costs charged to this program do not exceed the allowable percent for the federal special education program;

(v) Any available federal funds are insufficient to address the additional needs; and

(vi) The costs of any supplemental contracts are not charged to this program for purposes of making these determinations.

(b) For districts requesting safety net funds due to federal maintenance of effort requirements, as a result of changes in the state special education formula, the procedures and standards shall permit relief only if a district can demonstrate at a minimum that:

(i) Individualized education plans are appropriate and are properly and efficiently prepared and formulated; and

(ii) The district is making a reasonable effort to provide appropriate program services for special education students utilizing state funds generated by the apportionment and special education funding formulas.

(c) For districts requesting safety net funds due to federal maintenance of effort requirements as a result in changes in the state special education formula, amounts provided for this purpose shall be calculated by the superintendent of public instruction and adjusted periodically based on the most current information available to the superintendent. The amount provided shall not exceed the lesser of:

(i) The district's 1994-95 state excess cost allocation for resident special education students minus the relevant school year's state special education formula allocation;

(ii) The district's 1994-95 state excess cost allocation per resident special education student times the number of formula funded special education students for the relevant school year minus the relevant school year's special education formula allocation;

(iii) The amount requested by the district; or

(iv) The amount awarded by the state oversight committee.

(9) (a) For purposes of making safety net determinations pursuant to subsection (8) of this section, the superintendent shall make available to each school district, from available data, prior to June 1st of each year:

(i) The district's 1994-95 enrollment percent;

(ii) For districts with a 1994-95 enrollment percent over 12.7 percent, the maximum 1995-96 enrollment percent, and prior to 1996-97 the maximum 1996-97 enrollment percent;

(iii) The estimate to be used for purposes of subsection (8) of this section of each district's 1994-95 special education allocation showing the excess cost and the basic education portions; and

(iv) If necessary, a process for each district to estimate the 1995-96 school year excess cost allocation for special education and the portion of the basic education allocation formerly included in the special education allocation. This process may utilize the allocations generated pursuant to subsection (4) of this section, each district's 1994-95 estimated basic education backout percent for the 1994-95 school year, and state compensation increases for 1995-96.

(b) The superintendent, in consultation with the state auditor, shall take all necessary steps to successfully transition to the new formula and minimize paperwork at the district level associated with federal maintenance of effort calculations. The superintendent shall develop such rules and procedures as are necessary to implement this process for the 1995-96 school year, and may use the same process.

(10) Prior to adopting any standards, procedures, or processes required to implement this section, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature.

(11) Membership of the regional committees, in the 1995-96 school year, may include, but not be limited to:

(a) A representative of the superintendent of public instruction;

(b) One or more representatives from school districts including board members, superintendents, special education directors, and business managers; and

(c) One or more staff from an educational service district.

(12) The state oversight committee appointed by the superintendent of public instruction shall consist of:

(a) Staff of the office of superintendent of public instruction;

(b) Staff of the office of the state auditor;

(c) Staff from the office of the financial management; and

(d) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(13) The institute for public policy, in cooperation with the superintendent of public instruction, the office of financial management, and the fiscal committees of the legislature, shall evaluate the operation of the safety nets under subsections (7) and (8) of this section and shall prepare an interim report by December 15, 1995, and a final report on the first school year of operation by October 15, 1996.

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

(15) \$1,000,000 of the general fund--federal appropriation is provided solely for projects to provide special education students with appropriate job and independent living skills, including work experience where possible, to facilitate their successful transition out of the public school system. The funds provided by this subsection shall be from federal discretionary grants.

(16) Not more than \$80,000 of the general fund--federal appropriation shall be expended for development of an inservice

training program to identify students with dyslexia who may be in need of special education.

(17) A maximum of \$933,600 of the general fund--state appropriation in fiscal year 1996 and a maximum of \$933,600 of the general fund--state appropriation for fiscal year 1997 may be expended for state special education coordinators housed at each of the educational service districts. Employment and functions of the special education coordinators shall be determined in consultation with the superintendent of public instruction.

**Sec. 1406.** 1996 c 283 s 507 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY EDUCATION PROGRAMS**

Public Safety and Education Account

Appropriation.....	\$	<del>((16,928,000))</del>
		<u>16,824,000</u>

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

(1) The appropriation includes such funds as are necessary for the remaining months of the 1994-95 school year.

(2) A maximum of \$507,000 shall be expended for regional traffic safety education coordinators.

(3) The maximum basic state allocation per student completing the program shall be \$137.16 in the 1995-96 and 1996-97 school years.

(4) Additional allocations to provide tuition assistance for students from low-income families who complete the program shall be a maximum of \$66.81 per eligible student in the 1995-96 and 1996-97 school years.

**Sec. 1407.** 1996 c 283 s 509 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

General Fund Appropriation (FY 1996).....	\$	76,871,000
General Fund Appropriation (FY 1997).....	\$	<del>((82,806,000))</del>
		<u>82,831,000</u>
TOTAL APPROPRIATION.....	\$	<del>((159,677,000))</del>
		<u>159,702,000</u>

Sec. 1408. 1996 c 283 s 511 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 1996)....	\$	15,798,000
General Fund--State Appropriation (FY 1997)....	\$	(( <del>17,928,000</del> ))
		<u>16,235,000</u>
General		Fund--Federal
Appropriation.....	\$	.....
..... 8,548,000		
TOTAL APPROPRIATION.....	\$	(( <del>42,274,000</del> ))
		<u>40,581,000</u>

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

(1) The general fund--state appropriation includes such funds as are necessary for the remaining months of the 1994-95 school year.

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

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution and other state funding assumptions shall be those specified in the legislative budget notes.

Sec. 1409. 1996 c 283 s 512 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

General Fund Appropriation (FY 1996).....	\$	4,200,000
General Fund Appropriation (FY 1997).....	\$	(( <del>4,254,000</del> ))
		<u>4,217,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>8,454,000</del> ))
		<u>8,417,000</u>

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

(1) The appropriation includes such funds as are necessary for the remaining months of the 1994-95 school year.

(2) Allocations for school district programs for highly capable students shall be distributed for up to one and one-half percent of each district's full-time equivalent basic education act enrollment.

(3) \$436,000 of the appropriation is for the Centrum program at Fort Worden state park.

**Sec. 1410.** 1996 c 283 s 514 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

General Fund Appropriation (FY 1996).....	\$	26,378,000
General Fund Appropriation (FY 1997).....	\$	(( <del>28,432,000</del> ))
		<u>28,221,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>54,810,000</del> ))
		<u>54,599,000</u>

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

(1) The appropriation provides such funds as are necessary for the remaining months of the 1994-95 school year.

(2) The superintendent shall distribute a maximum of \$623.21 per eligible bilingual student in the 1995-96 school year and \$623.31 in the 1996-97 school year.

**Sec. 1411.** 1996 c 283 s 515 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

General Fund Appropriation (FY 1996).....	\$	56,417,000
General Fund Appropriation (FY 1997).....	\$	(( <del>58,210,000</del> ))
		<u>57,451,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>114,627,000</del> ))
		<u>113,868,000</u>

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

(1) The appropriation provides such funds as are necessary for the remaining months of the 1994-95 school year.

(2) For making the calculation of the percentage of students scoring in the lowest quartile as compared with national norms, beginning with the 1991-92 school year, the superintendent shall multiply each school district's 4th and 8th grade test results by 0.86.

(3) Funding for school district learning assistance programs shall be allocated at a maximum rate of \$366.74 per unit for the 1995-96 school year and a maximum of \$366.81 per unit in the 1996-97 school year. School districts may carryover up to 10 percent of funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(a) A school district's units for the 1995-96 school year shall be the sum of the following:

(i) The 1995-96 full-time equivalent enrollment in kindergarten through 6th grade, times the 5-year average 4th grade test result as adjusted pursuant to subsection (2) of this section, times 0.96; and

(ii) The 1995-96 full-time equivalent enrollment in grades 7 through 9, times the 5-year average 8th grade test result as adjusted pursuant to subsection (2) of this section, times 0.96; and

(iii) If the district's percentage of October 1994 headcount enrollment in grades K-12 eligible for free and reduced price lunch exceeds the state average, subtract the state average percentage of students eligible for free and reduced price lunch from the district's percentage and multiply the result by the district's 1995-96 K-12 annual average full-time equivalent enrollment times 11.68 percent.

(b) A school district's units for the 1996-97 school year shall be the sum of the following:

(i) The 1996-97 full-time equivalent enrollment in kindergarten through 6th grade, times the 5-year average 4th grade test result as adjusted pursuant to subsection (2) of this section, times 0.92; and

(ii) The 1996-97 full-time equivalent enrollment in grades 7 through 9, times the 5-year average 8th grade test result as adjusted pursuant to subsection (2) of this section, times 0.92; and

(iii) If the district's percentage of October 1995 headcount enrollment in grades K-12 eligible for free and reduced price lunch exceeds the state average, subtract the state average percentage of students eligible for free and reduced price lunch from the district's

percentage and multiply the result by the district's 1996-97 K-12 annual average full-time equivalent enrollment times 22.30 percent.

**Sec. 1412.** 1996 c 283 s 516 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

General Fund Appropriation (FY 1996).....	\$	56,846,000
General Fund Appropriation (FY 1997).....	\$	<del>((58,123,000))</del>
		<u>58,076,000</u>
TOTAL APPROPRIATION.....	\$	<del>((114,969,000))</del>
		<u>114,922,000</u>

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

(1) The appropriation provides such funds as are necessary for the remaining months of the 1994-95 school year.

(2) School districts receiving moneys pursuant to this section shall expend at least fifty-eight percent of such moneys in school buildings for building based planning, staff development, and other activities to improve student learning, consistent with the student learning goals in RCW 28A.150.210 and RCW 28A.630.885. Districts receiving the moneys shall have a policy regarding the involvement of school staff, parents, and community members in instructional decisions. Each school using the moneys shall, by the end of the 1995-96 school year, develop and keep on file a building plan to attain the student learning goals and essential academic learning requirements and to implement the assessment system as it is developed. The remaining forty-two percent of such moneys may be used to meet other educational needs as identified by the school district. Program enhancements funded pursuant to this section do not fall within the definition of basic education for purposes of Article IX of the state Constitution and the state's funding duty thereunder, nor shall such funding constitute levy reduction funds for purposes of RCW 84.52.0531.

(3) Forty-two percent of the allocations to school districts shall be calculated on the basis of full-time enrollment at an annual rate per student of up to \$26.30 for the 1995-96 and 1996-97 school years. For school districts enrolling not more than one hundred average annual full-time equivalent students, and for small school

plants within any school district designated as remote and necessary schools, the allocations shall be as follows:

(a) Enrollment of not more than 60 average annual full-time equivalent students in grades kindergarten through six shall generate funding based on sixty full-time equivalent students;

(b) Enrollment of not more than 20 average annual full-time equivalent students in grades seven and eight shall generate funding based on twenty full-time equivalent students; and

(c) Enrollment of not more than 60 average annual full-time equivalent students in grades nine through twelve shall generate funding based on sixty full-time equivalent students.

(4) Fifty-eight percent of the allocations to school districts shall be calculated on the basis of full-time enrollment at an annual rate per student of up to \$36.69 for the 1995-96 and 1996-97 fiscal years. The state schools for the deaf and the blind may qualify for allocations of funds under this subsection. For school districts enrolling not more than one hundred average annual full-time equivalent students, and for small school plants within any school district designated as remote and necessary schools, the allocations shall be as follows:

(a) Enrollment of not more than 60 average annual full-time equivalent students in grades kindergarten through six shall generate funding based on sixty full-time equivalent students;

(b) Enrollment of not more than 20 average annual full-time equivalent students in grades seven and eight shall generate funding based on twenty full-time equivalent students; and

(c) Enrollment of not more than 60 average annual full-time equivalent students in grades nine through twelve shall generate funding based on sixty full-time equivalent students.

(5) Beginning with the 1995-96 school year, to provide parents, the local community, and the legislature with information on the student learning improvement block grants, schools receiving funds for such purpose shall include, in the annual performance report required in RCW 28A.320.205, information on how the student learning improvement block grant moneys were spent and what results were achieved. Each school district shall submit the reports to the superintendent of public instruction and the superintendent shall provide the legislature with an annual report.

(6) Receipt by a school district of one-fourth of the district's allocation of funds under this section, shall be conditioned on a

finding by the superintendent that the district is enrolled as a medicaid service provider and is actively pursuing federal matching funds for medical services provided through special education programs, pursuant to RCW 74.09.5241 through 74.09.5256 (Title XIX funding).

NEW SECTION. **Sec. 1413.** A new section is added to 1995 2nd sp.s. c 18 (uncodified) to read as follows:

**FOR THE STATE BOARD OF EDUCATION--COMMON SCHOOL CONSTRUCTION**

General Fund Appropriation to the Common

School Construction Fund.....	\$	62,379,000
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(End of part)

**PART XV**  
**HIGHER EDUCATION**

**Sec. 1501.** 1996 c 283 s 602 (uncodified) is amended to read as follows:

The appropriations in sections 603 through 609 of this act provide state general fund support or employment and training trust account support for student full-time equivalent enrollments at each institution of higher education. Listed below are the annual full-time equivalent student enrollments by institution assumed in this act.

	1995-96	1996-97
	Annual	Annual
	Average	Average
	FTE	FTE
University of Washington		
Main campus.....	29,857	30,455
Evening Degree Program.....	571	617
Tacoma branch.....	588	747
Bothell branch.....	533	685
Washington State University		
Main campus.....	16,205	17,403
Spokane branch.....	283	352
Tri-Cities branch.....	624	724
Vancouver branch.....	723	851
Central Washington University.....	6,903	7,256
Eastern Washington University.....	7,656	( <del>7,825</del> )
		<u>7,739</u>
The Evergreen State College.....	3,278	3,406
Western Washington University.....	9,483	10,038
State Board for Community and		
Technical Colleges.....	111,986	114,326
Higher Education Coordinating		
Board.....	50	50

Sec. 1502. 1996 c 283 s 603 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund--State Appropriation (FY 1996)....	\$	345,763,000
General Fund--State Appropriation (FY 1997)....	\$	<del>((358,240,000))</del>
		<u>360,350,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		11,404,000
Employment and Training Trust Account		
Appropriation.....	\$	58,575,000
TOTAL APPROPRIATION.....	\$	<del>((773,982,000))</del>
		<u>776,092,000</u>

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

(1) \$2,883,000 of the general fund appropriation is provided solely for 500 supplemental FTE enrollment slots to implement RCW 28B.50.259 (timber-dependent communities).

(2) \$58,575,000 of the employment and training trust account appropriation is provided solely for training and related support services specified in chapter 226, Laws of 1993 (employment and training for unemployed workers). Of this amount:

(a) \$41,090,000 is to provide enrollment opportunity for 6,100 full-time equivalent students in fiscal year 1996 and 7,200 full-time equivalent students in fiscal year 1997. The state board for community and technical colleges shall submit to the workforce training and education coordinating board for review and approval a plan for the allocation of the full-time equivalents provided in this subsection.

(b) \$8,403,000 is to provide child care assistance, transportation, and financial aid for the student enrollments funded in (a) of this subsection.

(c) \$7,632,000 is to provide financial assistance for student enrollments funded in (a) of this subsection in order to enhance program completion for those enrolled students whose unemployment benefit eligibility will be exhausted or reduced before their training program is completed. The state board for community and technical colleges shall submit to the workforce training and education

coordinating board for review and approval a plan for eligibility and disbursement criteria to be used in determining the award of moneys provided in this subsection.

(d) \$750,000 is provided solely for an interagency agreement with the workforce training and education coordinating board for an independently contracted net-impact study to determine the overall effectiveness and outcomes of retraining and other services provided under chapter 226, Laws of 1993, (employment and training for unemployed workers). The net-impact study shall be completed and delivered to the legislature no later than December 31, 1996.

(e) \$700,000 is to provide the operating resources for seven employment security department job service centers located on community and technical college campuses.

(3) \$3,725,000 of the general fund appropriation is provided solely for assessment of student outcomes at community and technical colleges.

(4) \$1,412,000 of the general fund appropriation is provided solely to recruit and retain minority students and faculty.

(5) \$3,296,720 of the general fund appropriation is provided solely for instructional equipment.

(6) \$688,000 of the general fund appropriation is provided for new building operations and maintenance and shall be placed in reserve and expended only pursuant to allotment authority provided by the office of financial management.

(7) Up to \$4,200,000 of the appropriations in this section may be used in combination with salary and benefit savings from faculty turnover to provide faculty salary increments.

(8) The technical colleges may increase tuition and fees to conform with the percentage increase in community college operating fees authorized in Substitute Senate Bill No. 5325.

(9) \$4,200,000 of the general fund--state appropriation is provided solely for transitional costs and accreditation requirements associated with the transfer of the technical colleges to the community college system. Colleges shall apply funding for distance learning and technology resources to address accreditation requirements in a cost-effective manner. Colleges are encouraged to negotiate with accreditation agencies for the acceptance of new educational technologies to meet accreditation standards.

(10) Up to \$50,000, if matched by an equal amount from private sources, may be used to initiate an international trade education

consortium, composed of selected community colleges, to fund and promote international trade education and training services in a variety of locations throughout the state, which services shall include specific business skills needed to develop and sustain international business opportunities that are oriented toward vocational, applied skills. The board shall report to appropriate legislative committees on these efforts at each regular session of the legislature.

(11) \$2,000,000 of the general fund--state appropriation is provided solely for productivity enhancements in student services and instruction that facilitate student progress, and innovation proposals that provide greater student access and learning opportunities. The state board for community and technical colleges shall report to the governor and legislature by October 1, 1997, on implementation of productivity and innovation programs supported by these funds.

(12) \$1,500,000 of the general fund--state appropriation is provided solely for competitive grants to community and technical colleges to assist the colleges in serving disabled students. The state board for community and technical colleges shall award grants to colleges based on severity of need.

(13) \$2,700,000 of the general fund--state appropriation is provided solely for the costs associated with standardizing part-time health benefits per Substitute Senate Bill No. 6583.

(14) By November 15, 1996, the board, in consultation with full- and part-time faculty groups, shall develop a plan and submit recommendations to the legislature to address compensation and staffing issues concerning inter- and intra-institutional salary disparities for full and part-time faculty. The board shall develop and submit to the governor and the legislature a ten-year implementation plan that: (a) Reflects the shared responsibility of the institutions and the legislature to address these issues; (b) reviews recent trends in the use of part-time faculty and makes recommendations to the legislature for appropriate ratios of part-time to full-time faculty staff; and (c) considers educational quality, long-range cost considerations, flexibility in program delivery, employee working conditions, and differing circumstances pertaining to local situations.

**Sec. 1503.** 1996 c 283 s 604 (uncodified) is amended to read as follows:

**FOR THE UNIVERSITY OF WASHINGTON**

General Fund Appropriation (FY 1996).....	\$	259,062,000	
General Fund Appropriation (FY 1997).....	\$	<del>((267,933,000))</del>	
			<u>268,643,000</u>
Death Investigations Account Appropriation.....	\$	1,685,000	
Accident			Account
Appropriation.....	\$		.....
.....		4,348,000	
Medical Aid Account Appropriation.....	\$	4,343,000	
Health Services Account Appropriation.....	\$	6,247,000	
TOTAL APPROPRIATION.....	\$	<del>((543,678,000))</del>	
			<u>544,328,000</u>

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

(1) \$10,501,000 of the general fund--state appropriation is provided solely to operate upper-division and graduate level courses offered at the Tacoma branch campus. Of this amount (~~((a))~~), \$237,000 is provided solely for continuation of the two-plus-two program operated jointly with the Olympic Community College (~~((; and (b))~~), ~~\$700,000 is provided solely for building maintenance, equipment purchase, and moving costs and shall be placed in reserve and expended only pursuant to allotment authority provided by the office of financial management)~~).

(2) \$9,665,000 of the general fund appropriation is provided solely to operate upper-division and graduate level courses offered at the Bothell branch campus.

(3) \$2,300,000 of the health services account appropriation is provided solely for the implementation of chapter 492, Laws of 1993 (health care reform) to increase the supply of primary health care providers.

(4) \$300,000 of the health services account appropriation is provided solely to expand community-based training for physician assistants.

(5) \$300,000 of the health services account appropriation is provided solely for the advanced registered nurse program.

(6) \$2,909,000 of the health services account appropriation is provided solely for health benefits for teaching and research assistants pursuant to RCW 28B.10.660 (graduate service appointment health insurance).

(7) \$372,000 of the general fund appropriation is provided solely for assessment of student outcomes.

(8) \$648,000 of the general fund appropriation is provided solely to recruit and retain minority students and faculty.

(9) \$1,471,000 of the general fund appropriation is provided for new building operations and maintenance and shall be placed in reserve and expended only pursuant to allotment authority provided by the office of financial management.

(10) \$500,000 of the general fund appropriation is provided solely for enhancements to the mathematics, engineering and science achievement (MESA) program.

(11) \$227,000 of the general fund appropriation is provided solely for implementation of the Puget Sound water quality management plan.

(12) The university shall begin implementation of the professional staff and librarian market gap remedy plan II, which was submitted to the legislature in response to section 603(3), chapter 24, Laws of 1993 sp. sess. and section 603(3), chapter 6, Laws of 1994 sp. sess. As part of the implementation of the plan, an average salary increase of 5.0 percent may be provided to librarians and professional staff on July 1, 1995, to meet salary gaps as described in the plan.

(13) \$184,000 of the health services account appropriation is provided solely for participation of the University of Washington dental school in migrant/community health centers in the Yakima valley.

(14) At least \$50,000 of the general fund appropriation shall be used for research at the Olympic natural resources center.

(15) \$1,718,000 of the general fund appropriation is provided solely for technological improvements to develop an integrated state-wide library system, of which \$409,000 is for system-wide network costs.

**Sec. 1504.** 1996 c 283 s 605 (uncodified) is amended to read as follows:

**FOR WASHINGTON STATE UNIVERSITY**

General Fund Appropriation (FY 1996).....	\$	150,272,000
General Fund Appropriation (FY 1997).....	\$	((159,410,000))
		<u>159,886,000</u>
Industrial Insurance Premium Refund Account		
Appropriation.....	\$	33,000
Air Pollution Control Account Appropriation....	\$	105,000

Health Services Account Appropriation.....	\$	1,400,000
TOTAL APPROPRIATION.....	\$	<del>((311,220,000))</del>
		<u>311,696,000</u>

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

(1) \$12,008,000 of the general fund appropriation is provided solely to operate upper-division and graduate level courses and other educational services offered at the Vancouver branch campus. \$1,198,000 of this amount is provided for new building operations and maintenance and shall be placed in reserve and expended only pursuant to allotment authority provided by the office of financial management.

(2) \$7,646,000 of the general fund appropriation is provided solely to operate upper-division and graduate level courses and other educational services offered at the Tri-Cities branch campus. \$53,000 of this amount is provided for new building operations and maintenance and shall be placed in reserve and expended only pursuant to allotment authority provided by the office of financial management.

(3) \$8,042,000 of the general fund appropriation is provided solely to operate graduate and professional level courses and other educational services offered at the Spokane branch campus.

(4) \$372,000 of the general fund appropriation is provided solely for assessment of student outcomes.

(5) \$280,000 of the general fund appropriation is provided solely to recruit and retain minority students and faculty.

(6) \$1,400,000 of the health services account appropriation is provided solely for health benefits for teaching and research assistants pursuant to RCW 28B.10.660 (graduate service appointment health insurance).

(7) \$2,167,000 of the general fund appropriation is provided for new building operations and maintenance on the main campus and shall be placed in reserve and expended only pursuant to allotment authority provided by the office of financial management.

(8) \$525,000 of the general fund appropriation is provided solely to implement House Bill No. 1741 (wine and wine grape research). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.

~~(9) ((\$1,000,000 of the general fund appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1009~~

~~(pesticide research). If the bill is not enacted by June 30, 1995, the amount provided in this subsection shall lapse.~~

~~((10))~~ \$314,000 of the general fund appropriation is provided solely for implementation of the Puget Sound water quality management plan.

~~((11))~~ (10) \$25,000 of the general fund--state appropriation is provided solely for operation of the energy efficiency programs transferred to Washington State University by House Bill No. 2009. If House Bill No. 2009 is not enacted by June 30, 1996, the amount provided in this subsection shall lapse.

~~((12))~~ (11) \$450,000 of the general fund--state appropriation is provided solely for equipment, software, and related expenditures to support a state-wide library network.

**Sec. 1505.** 1996 c 283 s 606 (uncodified) is amended to read as follows:

**FOR EASTERN WASHINGTON UNIVERSITY**

General Fund Appropriation (FY 1996).....	\$	37,350,000
General Fund Appropriation (FY 1997).....	\$	<del>((38,394,000))</del>
		<u>38,168,000</u>
Health Services Account Appropriation.....	\$	200,000
TOTAL APPROPRIATION.....	\$	<del>((75,944,000))</del>
		<u>75,718,000</u>

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

(1) \$372,000 of the general fund appropriation is provided solely for assessment of student outcomes.

(2) \$186,000 of the general fund appropriation is provided solely to recruit and retain minority students and faculty.

(3) \$200,000 of the health services account appropriation is provided solely for health benefits for teaching and research assistants pursuant to RCW 28B.10.660 (graduate service appointment health insurance).

(4) \$166,000 of the general fund--state appropriation is provided solely for new building operations and maintenance and shall be placed in reserve and expended only pursuant to allotment authority provided by the office of financial management.

(5) \$454,000 of the general fund--state appropriation is provided solely for equipment, software, and related expenditures to support a state-wide library network.

**Sec. 1506.** 1996 c 283 s 607 (uncodified) is amended to read as follows:

**FOR CENTRAL WASHINGTON UNIVERSITY**

General Fund Appropriation (FY 1996).....	\$	33,636,000
General Fund Appropriation (FY 1997).....	\$	<del>((36,250,000))</del>
		<u>36,346,000</u>
Industrial Insurance Premium Refund Account		
Appropriation.....	\$	10,000
Health Services Account Appropriation.....	\$	140,000
TOTAL APPROPRIATION.....	\$	<del>((70,036,000))</del>
		<u>70,132,000</u>

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

(1) \$372,000 of the general fund appropriation is provided solely for assessment of student outcomes.

(2) \$140,000 of the general fund appropriation is provided solely to recruit and retain minority students and faculty.

(3) \$140,000 of the health services account appropriation is provided solely for health benefits for teaching and research assistants pursuant to RCW 28B.10.660 (graduate service appointment health insurance).

(4) \$1,293,000 of the general fund appropriation is provided solely for equipment, software, and related expenditures to support a state-wide library network.

**Sec. 1507.** 1996 c 283 s 608 (uncodified) is amended to read as follows:

**FOR THE EVERGREEN STATE COLLEGE**

General Fund Appropriation (FY 1996).....	\$	18,436,000
General Fund Appropriation (FY 1997).....	\$	<del>((19,325,000))</del>
		<u>19,385,000</u>
TOTAL APPROPRIATION.....	\$	<del>((37,761,000))</del>
		<u>37,821,000</u>

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

(1) \$372,000 of the general fund appropriation is provided solely for assessment of student outcomes.

(2) \$94,000 of the general fund appropriation is provided solely to recruit and retain minority students and faculty.

(3) \$58,000 of the general fund appropriation is provided for new building operations and maintenance and shall be placed in reserve and expended only pursuant to allotment authority provided by the office of financial management.

(4) \$417,000 of the general fund appropriation is provided solely for equipment, software, and related expenditures to support a state-wide library network.

**Sec. 1508.** 1996 c 283 s 609 (uncodified) is amended to read as follows:

**FOR WESTERN WASHINGTON UNIVERSITY**

General Fund Appropriation (FY 1996).....	\$	42,533,000
General Fund Appropriation (FY 1997).....	\$	<del>((45,709,000))</del>
		<u>45,827,000</u>
Health Services Account Appropriation.....	\$	200,000
TOTAL APPROPRIATION.....	\$	<del>((88,442,000))</del>
		<u>88,560,000</u>

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

(1) \$372,000 of the general fund appropriation is provided solely for assessment of student outcomes.

(2) \$186,000 of the general fund appropriation is provided solely to recruit and retain minority students and faculty.

(3) \$200,000 of the health services account appropriation is provided solely for health benefits for teaching and research assistants pursuant to RCW 28B.10.660 (graduate service appointment health insurance).

(4) \$275,000 of the general fund appropriation is provided for new building operations and maintenance and shall be placed in reserve and expended only pursuant to allotment authority provided by the office of financial management.

(5) \$873,000 of the general fund appropriation is provided solely for equipment, software, and related expenditures to support a state-wide library network.

**Sec. 1509.** 1996 c 283 s 610 (uncodified) is amended to read as follows:

**FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND ADMINISTRATION**

General Fund--State Appropriation (FY 1996)....	\$	1,984,000
General Fund--State Appropriation (FY 1997)....	\$	(( <del>2,365,000</del> ))
		<u>2,370,000</u>
General		Fund--Federal
Appropriation.....	\$.....	.....
.....		1,073,000
TOTAL APPROPRIATION.....	\$	(( <del>5,422,000</del> ))
		<u>5,427,000</u>

(1) The appropriations in this section are provided to carry out the policy coordination, planning, studies, and administrative functions of the board and are subject to the following conditions and limitations: \$560,000 of the general fund--state appropriation is provided solely for enrollment to implement RCW 28B.80.570 through 28B.80.580 (timber dependent communities). The number of students served shall be 50 full-time equivalent students per fiscal year. The higher education coordinating board (HECB) in cooperation with the state board for community and technical college education (SBCTC) shall review the outcomes of the timber program and report to the governor and legislature by November 1, 1995. The review should include programs administered by the HECB and SBCTC. The review should address student satisfaction, academic success, and employment success resulting from expenditure of these funds. The boards should consider a broad range of recommendations, from strengthening the program with existing resources to terminating the program.

(2) \$150,000 of the general fund--state appropriation is provided solely for a study of higher education needs in North Snohomish/Island/Skagit counties. The board is directed to explore and recommend innovative approaches to providing educational programs. The board shall consider the use of technology and distance education as a means of meeting the higher education needs of the

area. The study shall be completed and provided to the appropriate committees of the legislature by November 30, 1996.

(3) The higher education coordinating board, in conjunction with the office of financial management and public institutions of higher education, shall study institutional student enrollment capacity at each four-year university or college. The higher education coordinating board shall report to the governor and the appropriate committees of the legislature the maximum student enrollment that could be accommodated with existing facilities and those under design or construction as of the 1995-97 biennium. The report shall use national standards as a basis for making comparisons, and the report shall include recommendations for increasing student access by maximizing the efficient use of facilities. The report shall also consider ways the state can encourage potential four-year college students to enroll in schools having excess capacity.

(4) \$70,000 of the general fund--state appropriation is provided solely to develop a competency-based admissions system for higher education institutions.

(5) \$50,000 of the general fund--state appropriation is provided solely for attorneys' fees and related expenses needed to defend the equal opportunity grant program.

(6) \$140,000 of the general fund--state appropriation is provided solely for the design and development of recommendations for the creation of a college tuition prepayment program. A recommended program design and draft legislation shall be submitted to the office of financial management by September 30, 1996, for consideration in the 1997 legislative session. The development of the program shall be conducted in consultation with the state investment board, the state treasurer, the state actuary, the office of financial management, private financial institutions, and other qualified parties with experience in the areas of accounting, actuary, risk management, or investment management.

(7) \$100,000 of the general fund--state appropriation is provided solely for the implementation of the assessment of prior learning experience program.

**Sec. 1510.** 1996 c 283 s 613 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE ARTS COMMISSION**

General Fund--State Appropriation (FY 1996).... \$ 2,236,000

General Fund--State Appropriation (FY 1997)....	\$	1,997,000	
General Fund--Federal Appropriation.....			\$
934,000			
<u>General Fund--Private/Local Appropriation.....</u>	<u>\$</u>	<u>7,000</u>	
Industrial Insurance Premium Refund Account			
Appropriation.....	\$	1,000	
TOTAL APPROPRIATION.....	\$	( <del>5,168,000</del> )	
		<u>5,175,000</u>	

(End of part)

**PART XVI**  
**SPECIAL APPROPRIATIONS**

**Sec. 1601.** 1996 c 283 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 GENERAL FUND BOND DEBT**

General Fund Appropriation.....	\$	(( <del>823,106,003</del> ))	
			<u>805,100,003</u>
State Building and Construction Account Appropriation.....	\$	(( <del>21,500,000</del> ))	
			<u>15,000,000</u>
Fisheries Bond Retirement Account 1977 Appropriation.....	\$	(( <del>291,215</del> ))	
			<u>1,000</u>
Community College Capital Improvement Bond Redemption Fund 1972 Appropriation.....	\$	(( <del>851,225</del> ))	
			<u>425,550</u>
Waste Disposal Facility Bond Redemption Fund Appropriation.....	\$	(( <del>19,592,375</del> ))	
			<u>3,985,920</u>
Water Supply Facility Bond Redemption Fund Appropriation.....	\$	(( <del>1,413,613</del> ))	
			<u>483,000</u>
Indian Cultural Center Bond Redemption Fund Appropriation.....	\$	(( <del>126,682</del> ))	
			<u>63,000</u>
Social and Health Service Bond Redemption Fund 1976 Appropriation.....	\$	(( <del>2,019,427</del> ))	
			<u>0</u>
Higher Education Bond Retirement Fund 1977 Appropriation.....	\$	(( <del>8,272,858</del> ))	
			<u>2,926,261</u>
Salmon Enhancement Construction Bond Retirement Fund Appropriation.....	\$	(( <del>1,071,805</del> ))	
			<u>274,673</u>
Fire Service Training Center Bond Retirement Fund Appropriation.....	\$	(( <del>754,844</del> ))	

					<u>378,000</u>
Higher Education Bond Retirement Account 1988					
	Appropriation.....		\$		(( <del>4,000,000</del> ))
					<u>2,000,000</u>
State	General	Obligation	Bond	Retirement	
Fund...		\$.....			
788,886,959					
	TOTAL APPROPRIATION.....		\$		(( <del>1,671,887,006</del> ))
					<u>1,622,132,000</u>

The general fund appropriation is for deposit into the account listed in section 801 of this act.

**Sec. 1602.** 1996 c 283 s 702 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account					
	Appropriation.....		\$		(( <del>24,179,295</del> ))
					<u>24,501,328</u>
Higher Education Reimbursement Enterprise Account					
	Appropriation.....		\$		633,913
Accident				Account	
Appropriation.....			\$.....		
.....					(( <del>5,548,000</del> ))
					<u>5,281,997</u>
	Medical Account Appropriation.....		\$		(( <del>5,548,000</del> ))
					<u>5,281,997</u>
State	General	Obligation	Bond	Retirement	
Fund...		\$.....			
43,940,553					
	TOTAL APPROPRIATION.....		\$		(( <del>79,849,761</del> ))
					<u>79,639,788</u>

**Sec. 1603.** 1996 c 283 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 GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund Appropriation.....	\$	37,031,429
Higher Education Reimbursable Construction Account Appropriation.....	\$	<del>((197,000))</del>
		<u>50,088</u>
Community College Capital Construction Bond Retirement Fund 1975 Appropriation.....	\$	450,000
Higher Education Bond Retirement Fund 1979 Appropriation.....	\$	<del>((2,887,000))</del>
		<u>2,038,080</u>
State General Obligation Retirement Fund.....	\$	97,323,580
TOTAL APPROPRIATION.....	\$	<del>((137,889,007))</del>
		<u>136,893,117</u>

**Sec. 1604.** 1996 c 283 s 705 (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**

General Fund Appropriation.....	\$	1,535,000
State Convention and Trade Center Account Appropriation.....	\$	15,000
State Building Construction Account Appropriation.....	\$	1,050,000
Higher Education Reimbursable Construction Account Appropriation.....	\$	3,000
TOTAL APPROPRIATION.....	\$	2,603,000

Total Bond Retirement and Interest Appropriations contained in sections 701 through 704 of this act..... \$ ~~((1,901,605,174))~~

1,841,268,000

**Sec. 1605.** 1996 c 283 s 709 (uncodified) is amended to read as follows:

**FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may be necessary, are appropriated from the general fund, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on

vouchers approved by the director of general administration, except as otherwise provided, as follows:

(1) Reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110:

11.....	(a) Walter Watson,	claim number	SCJ-92-
	\$ 6,003.00		
	(b) Carl L. Decker,	claim number	SCJ-95-02.....
			\$ 24,948.48
	(c) Bill R. Hood,	claim number	SCJ-95-08.....
			\$ 71,698.72
	(d) Rick Sevela,	claim number	SCJ-95-09.....
			\$ 6,937.22
12...	(e) William V. Pearson,	claim number	SCJ-95-
	\$ 5,929.99		
	(f) Craig T. Thiessen,	claim number	SCJ-95-13...
			\$ 3,540.24
15.....	(g) Douglas Bauer,	claim number	SCJ-95-
	\$ 40,015.86		
	(h) Walter A. Whyte,	claim number	SCJ-96-02.....
			\$ 2,989.30
	<u>(i) Allen R. Tuller,</u>	<u>claim number</u>	<u>SCJ-96-05.....</u>
			<u>\$ 12,121.44</u>
	<u>(j) Martial P. McCollum,</u>	<u>claim number</u>	<u>SCJ-96-07.</u>
			<u>\$ 3,000.00</u>
	<u>(k) Jerry Garcia,</u>	<u>claim number</u>	<u>SCJ-96-11.....</u>
			<u>\$ 61,966.00</u>
	<u>(l) Donald Smith,</u>	<u>claim number</u>	<u>SCJ-96-13.....</u>
			<u>\$ 6,246.11</u>
	<u>(m) Charles H. Williams,</u>	<u>claim number</u>	<u>SCJ-96-16.</u>
			<u>\$ 32,083.77</u>
	<u>(n) Thomas Long,</u>	<u>claim number</u>	<u>SCJ-96-17.....</u>
			<u>\$ 4,512.50</u>
	<u>(o) Jeff Fossett,</u>	<u>claim number</u>	<u>SCJ-96-21.....</u>
			<u>\$ 10,983.70</u>
<u>22.....</u>	<u>(p) Thomas Bender,</u>	<u>claim number</u>	<u>SCJ 96-</u>
	<u>\$ 9,996.94</u>		
<u>01.....</u>	<u>(q) Philip Romano,</u>	<u>claim number</u>	<u>SCO-96-</u>
	<u>\$ 6,639.48</u>		
	<u>(r) Thomas Lee,</u>	<u>claim number</u>	<u>SCJ-97-01.....</u>
			<u>\$ 20,934.16</u>
	<u>(s) Timothy Meyers,</u>	<u>claim number</u>	<u>SCJ-97-02.....</u>
			<u>\$ 71,600.00</u>
<u>03...</u>	<u>(t) Robert G. Sullivan,</u>	<u>claim number</u>	<u>SCJ-97-</u>
	<u>\$ 22,156.33</u>		
	<u>(u) Gay Dlugosh,</u>	<u>claim number</u>	<u>SCJ-97-04.....</u>
			<u>\$ 4,158.87</u>
	<u>(v) Anthony C. Otto,</u>	<u>on behalf of Justin Cali</u>	
	<u>(claim number SCJ-97-09)</u>	<u>and Stephen Posey</u>	
	<u>(claim number SCJ-97-10)</u>	<u>.....</u>	<u>\$ 16,961.28</u>

(2) Payment from the state wildlife account for damage to crops by wildlife, pursuant to RCW 77.12.280:

	(a) Wilson Banner Ranch,	claim number	SCG-95-01.
			\$ 2,800.00
04.....	(b) James Koempel,	claim number	SCG-95-
	\$ 5,291.08		
	(c) Mark Kayser,	claim number	SCG-95-06.....
			\$ 4,000.00

(d) ( <del>Peola Farms, Inc., claim number SCG-95-07.</del> \$ 1,046.50	
<del>(e))</del> Bailey's Nursery, claim number SCG-96-01...	\$ 125.00
<del>((f))</del> <u>(e)</u> Paul Gibbons, claim number SCG-96-02	\$ 2,635.73
<u>(f)</u> Dale Kimmerly, claim number SCG-96-04.....	\$ 676.00
<u>(g)</u> Robert Blank, claim number SCG-97-01.....	\$ 2,166.00

NEW SECTION. Sec. 1606. A new section is added to 1995 2nd sp.s. c 18 (uncodified) to read as follows:

**FOR THE STATE TREASURER--LOANS**

General Fund Appropriation--For transfer to the  
Community College Capital Projects Account..... \$ 950,000

NEW SECTION. Sec. 1607. A new section is added to 1995 2nd sp.s. c 18 (uncodified) to read as follows:

The sum of seventy-five million dollars, or so much thereof as may be available on June 30, 1997, from the total amount of unspent fiscal year 1997 state general fund appropriations is appropriated for purposes of Substitute Senate Bill No. 6045 (savings incentive account) in the manner provided in this section.

(1) Of the total amount appropriated in this section, one-half that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services and shall be credited to the agency that generated the savings.

(2) The remainder of the total amount appropriated in this section, not to exceed seventy-five million dollars, is appropriated to the education savings account for purposes of education technology projects.

(3) For purposes of this section, the total amount of unspent state general fund appropriations does not include either the appropriations made in this section or any amounts included in across-the-board allotment reductions under RCW 43.88.110.

\*NEW SECTION. Sec. 1608. A new section is added to 1995 2nd sp.s. c 18 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 ALLOCATIONS**

General Fund--State Appropriation (FY 1997)..... \$ 5,340,000

<i>General</i>	<i>Fund--Federal</i>
<i>Appropriation.....</i>	<i>\$.....</i>
<i>..... 2,883,000</i>	
<i>Liquor Revolving Account Appropriation.....</i>	<i>\$ 131,000</i>
<i>Health Care Authority Administrative Account</i>	
<i>    Appropriation.....</i>	<i>\$ 631,000</i>
<i>Accident Account</i>	
<i>Appropriation.....</i>	<i>\$.....</i>
<i>..... 1,102,000</i>	
<i>Medical Aid Account Appropriation.....</i>	<i>\$ 1,102,000</i>
<i>Unemployment Compensation Administration Account--</i>	
<i>    Federal Appropriation.....</i>	<i>\$ 1,313,000</i>
<i>Administrative Contingency Account Appropriation....</i>	<i>\$ 948,000</i>
<i>Employment Services Administrative Account</i>	
<i>    Appropriation.....</i>	<i>\$ 500,000</i>
<i>Forest Development Account Appropriation.....</i>	<i>\$</i>
<i>156,000</i>	
<i>Off Road Vehicle Account Appropriation.....</i>	<i>\$ 7,000</i>
<i>Surveys and Maps Account Appropriation.....</i>	<i>\$ 1,000</i>
<i>Aquatic Lands Enhancement Account Appropriation.....</i>	<i>\$ 8,000</i>
<i>Resource Management Cost Account Appropriation.....</i>	<i>\$ 348,000</i>
<i>    TOTAL APPROPRIATION.....</i>	<i>\$ 14,470,000</i>

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

(1) The appropriations in this section shall be deposited in the data processing revolving account for allocation, without appropriation, by the office of financial management to agencies to complete Year 2000 date conversion maintenance on their computer systems. Agencies shall submit their estimated costs of conversion to the office of financial management by July 1, 1997.

(2) In addition to the appropriations in this section, up to \$10,000,000 of the cash balance of the data processing revolving account may be expended on agency Year 2000 date conversion costs. The \$10,000,000 will be taken from the cash balances of the data processing revolving account's two major users, as follows: \$7,000,000 from the department of information services and \$3,000,000 from the office of financial management. The office of financial management in consultation with the department of

information services shall allocate these funds as needed to complete the date conversion projects.

(3) Agencies receiving these allocations shall report at a minimum to the information services board and to the governor every six months on the progress of Year 2000 maintenance efforts.

**\*Sec. 1608 was partially vetoed. See message at end of chapter.**

(End of part)

**PART XVII**  
**OTHER TRANSFERS AND APPROPRIATIONS**

**Sec. 1701.** 1996 c 283 s 801 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT SUBJECT TO THE STATUTORY DEBT LIMIT**

State General Obligation Bond Retirement Fund 1979	
Fund Appropriation.....	\$ (( <del>784,711,959</del> ))
	<u>766,705,959</u>
Fisheries Bond Retirement Account 1977	
Appropriation.....	\$ (( <del>291,215</del> ))
	<u>1,000</u>
Community College Capital Improvement Bond	
Redemption Fund 1972 Appropriation.....	\$ (( <del>851,225</del> ))
	<u>425,550</u>
Waste Disposal Facility Bond Redemption Fund	
Appropriation.....	\$ (( <del>19,592,375</del> ))
	<u>3,985,920</u>
Water Supply Facility Bond Redemption Fund	
Appropriation..	\$ (( <del>1,413,613</del> ))
	<u>483,000</u>
Indian Cultural Center Bond Redemption Fund	
Appropriation.....	\$ (( <del>126,682</del> ))
	<u>63,000</u>
Social and Health Service Bond Redemption Fund	
1976 Appropriation.....	\$ (( <del>2,019,427</del> ))
	<u>0</u>
Higher Education Bond Retirement Fund 1977	
Appropriation.....	\$ (( <del>8,272,858</del> ))
	<u>2,926,261</u>
Salmon Enhancement Construction Bond Retirement	
Fund Appropriation.....	\$ (( <del>1,071,805</del> ))
	<u>274,673</u>
Fire Service Training Center Bond Retirement	
Fund Appropriation.....	\$ (( <del>754,844</del> ))
	<u>378,000</u>

Higher Education Bond Retirement Account 1988

Appropriation.....	\$	(( <del>4,000,000</del> ))
		<u>2,000,000</u>
TOTAL APPROPRIATION.....	\$	(( <del>823,106,003</del> ))
		<u>777,243,363</u>

The total expenditures from the state treasury under the appropriation in this section and the general fund appropriation in section 701 of this act shall not exceed the total appropriation in this section.

**Sec. 1702.** 1996 c 283 s 802 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY AS PRESCRIBED BY STATUTE**

Community College Capital Construction Bond Retirement Account 1975 Appropriation.....	\$	450,000
Higher Education Bond Retirement Account 1979 Appropriation.....	\$	(( <del>2,887,000</del> ))
		<u>2,038,080</u>
State General Obligation Bond Retirement Fund 1979 Appropriation.....	\$	134,355,007
TOTAL APPROPRIATION.....	\$	(( <del>137,692,007</del> ))
		<u>136,843,087</u>

The total expenditures from the state treasury under the appropriation in this section and the general fund appropriation in section 703 of this act shall not exceed the total appropriation in this section.

**Sec. 1703.** 1996 c 283 s 803 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION**

General Fund Appropriation for fire insurance premiums distribution.....	\$	(( <del>5,641,000</del> ))
		<u>6,441,066</u>
General Fund Appropriation for public utility district excise tax distribution.....	\$	(( <del>31,242,000</del> ))
		<u>30,744,280</u>

General Fund Appropriation for prosecuting attorneys' salaries.....	\$	(( <del>2,800,000</del> ))	<u>2,776,096</u>
General Fund Appropriation for motor vehicle excise tax distribution.....	\$	(( <del>87,474,000</del> ))	<u>86,356,053</u>
General Fund Appropriation for local mass transit assistance.....	\$	(( <del>339,007,000</del> ))	<u>344,615,340</u>
General Fund Appropriation for camper and travel trailer excise tax distribution.....	\$	(( <del>3,198,000</del> ))	<u>3,416,612</u>
General Fund Appropriation for boating safety/education and law enforcement distribution.....	\$	(( <del>3,365,000</del> ))	<u>3,438,513</u>
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution.....	\$	(( <del>130,000</del> ))	<u>143,030</u>
Liquor Excise Tax Account Appropriation for liquor excise tax distribution.....	\$	(( <del>21,500,000</del> ))	<u>22,245,101</u>
Liquor Revolving Fund Appropriation for liquor profits distribution.....	\$	(( <del>40,160,000</del> ))	<u>41,799,400</u>
Timber Tax Distribution Account Appropriation for distribution to "Timber" counties.....	\$	(( <del>118,750,000</del> ))	<u>112,814,912</u>
Municipal Sales and Use Tax Equalization Account Appropriation.....	\$	(( <del>58,181,000</del> ))	<u>61,291,408</u>
County Sales and Use Tax Equalization Account Appropriation.....	\$	(( <del>12,940,000</del> ))	<u>9,208,276</u>
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies.....	\$	(( <del>1,200,000</del> ))	<u>1,180,845</u>

County	Criminal	Justice	Account
Appropriation...		\$.....	.....
.....	(( <del>69,940,000</del> ))		
			<u>71,579,595</u>
Municipal Criminal Justice Account			
Appropriation.....		\$ (( <del>27,972,000</del> ))	
			<u>28,196,587</u>
County Public Health Account Appropriation.....		\$ (( <del>29,250,000</del> ))	
			<u>27,276,662</u>
TOTAL APPROPRIATION.....		\$ (( <del>852,750,000</del> ))	
			<u>853,523,776</u>

The appropriations in this section are subject to the following conditions and limitations: The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

(End of part)

**PART XVIII**  
**MISCELLANEOUS**

NEW SECTION. **Sec. 1801.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 1802.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed the House April 26, 1997.

Passed the Senate April 26, 1997.

Approved by the Governor May 20, 1997, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 1997.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to sections 204(1); 204(6)(a); 204(6)(b); 204(6)(c); 204(9)(d); 206(3); 207(2); 210(5); 213(2)(d); 302(3); 302(4); 302(5); 302(17); 302(22); 304(16), 501(1)(e); 501(2)(e)(i); 503(4)(b); 503(5); 506(8); 507(4); 507(5); 507(6); 602(2); 611(5)(a)(i); 702; 706; 902, and 1608, page 211, lines 24-38 and page 212, lines 1-2, Engrossed Substitute House Bill No. 2259 entitled:

"AN ACT Relating to fiscal matters;"

My reasons for vetoing these sections are as follows:

**Section 204 (1), page 17, General Assistance-Unemployable  
(Department of Social and Health Services C Economic Services Program)**

This subsection requires that General Assistance-Unemployable recipients needing alcohol or drug treatment be assigned a protective payee to serve as a custodian of those recipients' cash assistance payments. While I support the concept of protective payees in this program, I cannot support policy changes that would increase administrative costs when the legislative budget significantly reduces basic cash and medical assistance benefits available to those receiving General Assistance.

**Sections 204(6)(a), 204(6)(b) and 204(6)(c), Child Care Co-pays  
(Department of Social and Health Services C Economic Services Program)**

Affordable child care is a crucial part of successfully moving people from welfare to work. To effectively administer a child care

assistance program for low-income families within the amounts appropriated by the Legislature, the Department must have the flexibility to devise a workable co-payment schedule that keeps the program solvent while still providing the assistance necessary to keep low income parents in the work force. Therefore, I have vetoed the co-payment schedule outlined in this section, because it does not provide the Department with the necessary flexibility and may significantly increase the cost of child care for low-income families.

Instead, I will direct the Department to implement a child care program that supports the goals of the WorkFirst program to make work pay. The monthly co-pay required shall be a minimum of ten dollars for families at or below seventy-four percent of the federal poverty level adjusted for family size. For families with incomes above seventy-four percent of the federal poverty level adjusted for family size, the monthly co-pay shall be a minimum of twenty dollars or forty-seven percent of the family's income above one hundred percent of the federal poverty level adjusted for family size. Child care assistance shall not be provided to families with incomes above one hundred seventy-five percent of the federal poverty level adjusted for family size. As the program develops, we will continue to evaluate the success of this child care schedule in making work pay while holding costs within the appropriation level for the Workfirst program.

**Section 204(9)(d), page 20, Child Care (Department of Social and Health Services C Economic Services Program)**

I am committed to operating the WorkFirst program within the appropriation level as required by Engrossed House Bill 3901. However, I believe that requiring the Department of Social and Health Services to remain within a further defined appropriated level specific to child care unnecessarily restricts the administration of the WorkFirst Program. Other states have succeeded in significantly reducing welfare dependency by making large investments in child care and other support services, while making corresponding reductions in their grant programs. I do not want to foreclose that option in Washington State. Therefore I have vetoed this provision so the Department has flexibility in making strategic funding decisions as this program develops.

**Section 206(3), page 22, Diversity Initiative (Department of Social and Health Services C Administration and Supporting Services)**

This proviso would restrict the use of funding for staff or publications related to diversity initiatives. I believe agencies must take an active role in promoting diversity in the workplace, and have therefore vetoed this proviso.

**Section 207(2), page 23, Child Support Waiver (Department of Social and Health Services C Child Support Program)**

This proviso requires the Department of Social and Health Services to request a waiver from federal regulations regarding child support enforcement to allow the Department to replace current program audit criteria with performance measures based on program outcomes. This waiver is unnecessary, because the federal government has already replaced its process-based audit criteria with performance-based criteria and the Department currently operates under a performance-

based agreement with the federal government. Because there is no need for a waiver, I have vetoed this proviso.

**Section 210(5), page 26, Basic Health Plan Report (State Health Care Authority)**

This section would require the State Health Care Authority (HCA) to report back to the Legislature by December 1, 1997 on the number of Basic Health Plan enrollees who are illegal aliens. Since the HCA does not currently collect this information, it would require substantial effort and expense to do so in order to report to the Legislature in five months. Because the Legislature provided no funding to collect this information, I have vetoed this proviso. I am also concerned that any plan to ask enrollees about their immigration status will prevent many of them from seeking needed health care.

**Section 213(2)(d), page 34, Health Care Expenditures (Department of Corrections C Institutional Services)**

Section 213, Subsection 2(d) states that it is the intent of the Legislature that the Department of Corrections reduce health care expenditures in the 1997-99 Biennium using the scenario identified in the 1996 Health Services Delivery System Study which limited health care costs to \$43 million in Fiscal Year 1998 and \$40.7 million in Fiscal Year 1999. I am concerned that this approach sets unrealistic and inflexible expectations with regard to health care expenditure reductions in the Department. The scenario referenced in the study suggests specific percentage reductions in certain areas such as out-patient hospitalization, which may not be achievable in the health care market. In addition, although the budget language references a limit to health care costs per year as stated in the health services delivery system study, it could be interpreted as a lid on total health care expenditures for the respective years. This may establish an unrealistic expectation, given recent changes in sentencing law that will further increase the state prison population. While I expect the Department will make every effort to reduce health care expenditures, it is in the state's interest that the Department have the flexibility to implement health care reductions in a safe and legally defensible manner.

**Section 302(3), page 40, Funding for Water Right Permit Processing, Water Resources Data Management, and Technical Assistance to Local Watershed Planning (Department of Ecology)**

This proviso stipulates that funding provided to the Department of Ecology shall lapse if sections 101 through 116 and 701 through 716 of Second Substitute House Bill 2054 are not enacted by June 30, 1997. Because I have vetoed some of these sections of Second Substitute House Bill 2054, I have also vetoed Section 302(3) of the appropriations act to lessen the confusion regarding the appropriation authority for the Department of Ecology.

**Section 302(4), page 40, Grant Funding for Regional Planning (Department of Ecology)**

Locally developed plans have been found to be an effective tool in managing water resources within a watershed by bringing together interested parties with knowledge and insights specific to the watershed. However, the local planning efforts have also relied C and will continue to rely C on technical expertise and information that

state agencies can provide. For this reason, it is essential that the state provide adequate funding for the departments of Health, Fish and Wildlife, Ecology, and Community, Trade, and Economic Development. Therefore, I have vetoed this subsection and directing that the limited funds provided by the Legislature for watershed planning efforts be used in a more balanced and comprehensive fashion.

**Section 302(5), pages 40-41, Implementation of ESHB 1111, Granting Water Rights (Department of Ecology)**

This subsection stipulates that the funding provided to implement Engrossed Substitute House Bill 1111 lapses if that bill is not enacted. I have vetoed Substitute House Bill 1111 because I do not believe that its provisions are in the best interest of the state. Therefore, I have also vetoed Section 302(5) of the appropriations act to eliminate confusion regarding the expenditure authority for the Department of Ecology.

**Section 302(17), page 43, Special Purpose Vehicles (Department of Ecology)**

This subsection requires the Department of Ecology to reduce its fleet of special purpose vehicles by 50 percent as of June 30, 1999. In addition, the Department is required to replace the special purpose vehicles with fuel efficient vehicles or not replace them at all, depending on the agency's vehicle requirements. I have vetoed this restriction because it would severely impair the Department's ability to reach remote areas to attain water quality samples, respond to oil and other hazardous materials spills, and support the Washington Conservation Corps program.

**Section 302(22), pages 43-44, Implementation of SSB 5030, Lake Water Irrigation (Department of Ecology)**

This subsection stipulates that the funding provided to the Department of Ecology to implement Substitute House Bill 5030 lapses if the bill is not enacted. I have vetoed Substitute House Bill 5030, which provides a water right (contingent on a determination that water is available) to those who have used the water from Lake Washington for irrigation purposes. The water issues facing this state need to be addressed through an integrated and comprehensive approach, rather than the piecemeal fashion advanced by Substitute Senate Bill 5030. I have vetoed Section 302(22) of the appropriations act to eliminate confusion regarding the expenditure authority for the Department of Ecology.

**Section 304(16), page 48, Implementation of SSB 5120, Remote Site Incubators (Department of Fish and Wildlife)**

This proviso stipulates that the funding provided to the Department of Fish and Wildlife under Substitute Senate Bill 5120 lapses if this bill is not enacted. I have vetoed Substitute Senate Bill 5120, which would require the Department to implement a program supporting remote site incubators across the state. Therefore, I have also vetoed Section 304(16) to eliminate confusion regarding the appropriation authority for the Department of Fish and Wildlife.

**Section 501(1)(e), page 53, Goals 2000 (Superintendent of Public Instruction C State Administration); and Section 506(8), page 65, (Superintendent of Public Instruction C Education Reform Programs)**

I have vetoed two subsections which would prevent the state from accepting federal Goals 2000 funding to support Washington State's education reform initiative. Goals 2000 funding supports development of state and local plans to improve student learning and is helping Washington State realize the goal of improving student achievement as envisioned in Washington's Education Reform Act of 1993.

Over \$16 million in Goals 2000 funding is expected to be available to Washington State during the 1997-99 Biennium. Of this amount, \$14 million will be available for grants to help schools develop and implement student learning improvement plans, supplementing \$50.8 million in General Fund-State appropriations approved by the Legislature for student learning improvement grants. Another \$1.0 million in Goals 2000 funding will be used to pay for the development of tests to measure student achievement, and the remaining \$0.7 million will fund state coordination and planning by the Office of Superintendent of Public Instruction.

**Section 501(2)(e)(i), page 54, Second Substitute Senate Bill 5508  
(Superintendent of Public Instruction C State Administration)**

This proviso authorizes \$700,000 for implementation of Second Substitute Senate Bill 5508, pertaining to Third Grade Reading Accountability. Because the Legislature did not approve this bill, I have vetoed this subsection of the appropriations act.

**Section 503(4)(b), page 62, Salary Increase Allocations  
(Superintendent of Public Instruction C Employee Compensation  
Adjustments)**

Section 503(4)(b) would reduce allocations for 1998-99 state salary increases to districts that appear to be in violation of the state salary limit for teachers and other certificated instructional school employees (RCW 28A.400.200).

I understand there have been some concerns about compliance with the state salary limit, and I support Section 503(4)(a) which requires the Superintendent of Public Instruction (SPI) to compare actual and allocated salaries in the 1997-98 school year and report results to the Legislature. This report will provide valuable information to the 1998 Legislature, and will give school districts an opportunity to explain apparent violations of the salary limit.

However, I do not favor imposing penalties without further review of this issue. The proposed comparison of actual and allocated salaries is *not* synonymous with the salary limit imposed by RCW 28A.400.200. The statute limits total actual salary payments at year-end, whereas the comparison proposed in this subsection is based on staff employed by a school district at the *beginning of the school year* (October 1). Also, the penalty proposed by 503(4)(b) would take money away from school districts in the 1998-99 school year C a year when no state salary increase is provided. The result could be pay cuts for school employees.

Therefore, I have vetoed Section 503(4)(b) to provide an opportunity for these issues to be carefully considered before imposing penalties.

**Section 503(5), page 63, Salary Adjustments for Classified Staff (Superintendent of Public Instruction C Employee Compensation Adjustments)**

Section 503(5) would require that every state-funded classified school employee receive a three percent salary adjustment effective September 1, 1997.

I value the classified school employees who teach in classrooms, drive school buses, serve in cafeterias, and work in offices around this state. I believe they deserve more than one three-percent salary increase in the next two years. But I do not support state intervention into school salary negotiations.

The salary increase money provided for school employees has been, and should continue to be, "for allocation purposes only." Actual salaries should be set by school boards through negotiations with employees and their representatives. Section 503(5) would circumvent this process and would also burden school districts with needless paperwork to demonstrate compliance. For these reasons, I have vetoed section 503(5).

**Section 507 (4), (5), and (6), pages 65-66, Bilingual Program Formula (Superintendent of Public Instruction C Transitional Bilingual Programs)**

Section 507(4) would eliminate state support for bilingual instruction for preschool students. I have vetoed this section because I believe that this instruction serves the best interest of students and the state as a whole. Children growing up in homes where English is not the primary language face a difficult adjustment when entering the public schools. It only makes sense to help these children and their parents make this adjustment more successful. I understand there may be a question about whether state funding can be provided for these students under current law, but my veto of this section allows the legal issue to be resolved independently and leaves open an opportunity for further policy discussion about the merits of this instruction.

Section 507(5) and (6) would implement a new "weighted" bilingual funding formula based on each student's grade level and years in bilingual instruction. This may be an excellent idea, but it lacks the supporting analysis necessary for a change in a basic education program. Bilingual instruction is generally accepted as part of the program of "basic education" required to meet the state's constitutional duty to provide for the education of all children in Washington. While basic education formulas are not cast in stone, they should be changed only after careful analysis and based on findings of the Legislature. Section 507(2) requires the Superintendent of Public Instruction to study the bilingual funding formula and report to the Legislature by January 15, 1998. With the benefit of this study, the Legislature will be better prepared to propose and defend changes to the bilingual funding formula. Therefore, I have vetoed section 507(5) and (6).

**Section 602(2), page 73, Higher Education enrollment**

In this section, the Legislature states its intent to penalize higher education institutions for falling as little as one full-time equivalent (FTE) student below the FTE enrollments assumed in the

1997-99 Operating Budget. Exceptions are allowed only for Eastern Washington University and branch campuses. I fully support the expectation that institutions will operate productively and efficiently. I also proposed a sanction for enrollment under budget targets. However, sanctions for under enrollment should occur only if enrollment is below a target range from budgeted levels, not for each single FTE. Moreover, if the Legislature does intend to impose a fiscal penalty for under enrollment, more precise parameters will need to be specified, including the data sources and threshold dates used to calculate enrollment and the dollar sanction per under enrolled FTE. Therefore, I have vetoed this section because it represents an unworkable approach to addressing the issue of under enrollment.

**Section 611(5)(a)(i), page 84, Alternative Distribution of State Need Grants. (Higher Education Coordinating Board)**

Section 611(5)(a)(i) directs the Higher Education Coordinating Board (HECB) to determine eligibility for state need grants for the 1998-99 academic year based on a family income index for independent and dependent students, unless a model is developed to calculate need grant amounts based on the cost of tuition. I have vetoed this requirement, because I believe it mandates a significant change in how state need grants are distributed in a way that discourages careful deliberation of the merits of these proposals. Instead, the HECB or Legislature must take one action in order to prevent another policy from taking effect. Using a family income index for independent and dependent students would lower the need grant eligibility threshold for independent students. This could have a significant impact on certain students' access to state financial aid, which has not been adequately assessed. If the Legislature's intent is to base need grant awards on the cost of tuition, the HECB can evaluate the effect of this policy change, prepare proposals and present recommendations by the 1998 Legislative Session. It is not necessary to link the two policies together in a way that could inhibit good debate and sound decisions.

**Section 702, page 87, Year 2000 Allocations**

This section repeals funding provided for Year 2000 maintenance of computer systems in Substitute Senate Bill 6062 for the 1997-99 Biennium. Section 1608 of Engrossed Substitute House Bill 2259 replaces this funding in the 1997 Supplemental Budget, and requires that the funds be deposited in a nonappropriated account so they can be expended in the 1997-99 Biennium. However, in some cases this approach is contrary to federal requirements for use of funds, and creates potential fund imbalances in other dedicated accounts. In order to avoid these technical problems, I have vetoed Section 702 so that the appropriations from dedicated funds originally provided for the 1997-99 Biennium remain in effect. Since this approach creates duplicate General Fund-State appropriations (one in the Fiscal Year 1997 Supplemental Budget and one in the 1997-99 biennial budget), I will place the General Fund-State appropriation for the 1997-99 Biennium in reserve and will request that it be eliminated in the Fiscal Year 1998 Supplemental Budget.

**Section 706, page 89, Regulatory Reform**

The 1997 Legislature approved two regulatory reform bills, Engrossed Second Substitute House Bill 1032, and Substitute House Bill 1076, sections of which I am signing into law. Section 706 of Engrossed Substitute House Bill 2259 repeals appropriations made in

Substitute Senate Bill 6062 C which I have signed into law C designed to fund increased duties and responsibilities for agencies implementing changes to regulatory processes during the 1997-99 Biennium.

I have vetoed Section 706 of Engrossed Substitute House Bill 2259 to preserve funding needed to implement the approved sections of the two regulatory reform bills. The Office of Financial Management will allocate portions of this funding to agencies, as necessary, to implement these two bills.

**Section 902, page 93, Council on Environmental Education**

This section prohibits the use of state funds provided in Engrossed Substitute House Bill 2259 to support the Governor's Council on Environmental Education. There are eleven state agencies that work with the state's environmental community and federal agencies on environmental education related activities. Funding for the Council is necessary to promote efficient and coordinated efforts in this area. Therefore, I have vetoed section 902.

**Section 1608, page 211 line 24 - 38, page 212 line 1-2, Year 2000 Allocations (Office of Financial Management)**

In concert with the veto of Section 702, I have vetoed all but the General Fund-State appropriations in Fiscal Year 1997 for Year 2000 conversion costs contained in Section 1608 of Engrossed Substitute House Bill 2259. Allocations will be made by the Office of Financial Management directly from the dedicated funds in the 1997-99 Biennium as directed in Substitute Senate Bill 6062. The veto of the dedicated fund appropriations in ESHB 2259 simplifies the administration of the other fund allocations, avoids potential fund balance problems, and is consistent with regulations for the use of federal funds.

With the exception of sections 204(1); 204(6)(a); 204(6)(b); 204(6)(c); 204(9)(d); 206(3); 207(2); 210(5); 213(2)(d); 302(3); 302(4); 302(5); 302(17); 302(22); 304(16), 501(1)(e); 501(2)(e)(i); 503(4)(b); 503(5); 506(8); 507(4); 507(5); 507(6); 602(2); 611(5)(a)(i); 702; 706; 902, and 1608, page 211, lines 24-38 and page 212, lines 1-2, Engrossed Substitute House Bill 2259 is approved."

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