
SUBSTITUTE SENATE BILL 5600

State of Washington

61st Legislature

2009 Regular Session

By Senate Ways & Means (originally sponsored by Senator Prentice; by request of Governor Gregoire)

READ FIRST TIME 04/16/09.

1 AN ACT Relating to fiscal matters; amending RCW 2.68.020,
2 28A.160.130, 28A.500.030, 28B.76.660, 28B.105.110, 35.104.060,
3 38.52.106, 41.04.276, 41.45.110, 41.48.060, 41.50.110, 43.08.190,
4 43.09.475, 43.10.180, 43.19.501, 43.30.720, 43.79.201, 43.79.460,
5 43.79.480, 43.83B.360, 43.155.050, 43.215.125, 43.325.040, 43.330.250,
6 44.44.013, 46.66.080, 50.16.010, 66.08.170, 67.70.190, 70.93.180,
7 71.24.310, 74.08A.340, 77.12.820, 77.32.010, 79.64.040, 79A.25.080,
8 79.105.150, 80.01.080, 80.36.430, and 86.26.007; reenacting and
9 amending RCW 43.135.045, 46.09.170, 67.40.040, and 70.105D.070;
10 creating new sections; making appropriations; providing expiration
11 dates; and declaring an emergency.

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

13 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
14 to the provisions set forth in the following sections, the several
15 amounts specified in parts I through IX of this act, or so much thereof
16 as shall be sufficient to accomplish the purposes designated, are
17 hereby appropriated and authorized to be incurred for salaries, wages,
18 and other expenses of the agencies and offices of the state and for

1 other specified purposes for the fiscal biennium beginning July 1,
2 2009, and ending June 30, 2011, except as otherwise provided, out of
3 the several funds of the state hereinafter named.

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

6 (a) "Fiscal year 2010" or "FY 2010" means the fiscal year ending
7 June 30, 2010.

8 (b) "Fiscal year 2011" or "FY 2011" means the fiscal year ending
9 June 30, 2011.

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

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

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

18 **PART I**

19 **GENERAL GOVERNMENT**

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

21	General Fund--State Appropriation (FY 2010)	\$33,497,000
22	General Fund--State Appropriation (FY 2011)	\$33,928,000
23	TOTAL APPROPRIATION	\$67,425,000

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

25	General Fund--State Appropriation (FY 2010)	\$25,257,000
26	General Fund--State Appropriation (FY 2011)	\$27,414,000
27	TOTAL APPROPRIATION	\$52,671,000

28 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**
29 **COMMITTEE**

30	Performance Audits of Government Account--State	
31	Appropriation	\$5,811,000

32 The appropriation in this section is subject to the following
33 conditions and limitations:

1 (1) Notwithstanding the provisions of this section, the joint
2 legislative audit and review committee may adjust the due dates for
3 projects included on the committee's 2009-11 work plan as necessary to
4 efficiently manage workload.

5 (2) Within the amounts appropriated in this section, the committee
6 shall conduct a review of the effect of risk management practices on
7 tort payouts. This review shall include an analysis of the state's
8 laws, policies, procedures, and practices as they relate to the conduct
9 of post-incident reviews and the impact of such reviews on the state's
10 conduct and liability.

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

19 (4) Within the amounts appropriated in this section, the committee
20 shall prepare an evaluation of the implementation of legislation
21 designed to improve communication, collaboration, and expedited
22 medicaid attainment with regard to persons released from confinement
23 who have mental health or chemical dependency disorders. The review
24 shall evaluate the implementation of: (a) Chapter 166, Laws of 2004
25 (E2SSB 6358); (b) sections 507 and 508 of chapter 504, Laws of 2005
26 (E2SSB 5763); (c) sections 12 and 13 of chapter 503, Laws of 2005
27 (E2SHB 1290); and (d) section 8 of chapter 359, Laws of 2007 (2SHB
28 1088). The departments of corrections and social and health services,
29 the administrative office of the courts, institutions for mental
30 disease, city and county jails, city and county courts, county clerks,
31 and mental health and chemical dependency treatment providers shall
32 provide the committee with information necessary for the study.

33 (5) Within the amount appropriated in this section, the joint
34 legislative audit and review committee shall conduct a review of the
35 state's recreational boating programs. This review shall include
36 examination of the following:

37 (a) Revenue sources for state recreational boating programs;

38 (b) Expenditures for state boating programs;

1 (c) Methods of administrating state recreational boating programs,
2 including the roles of both state and local government entities; and

3 (d) Approaches other states have taken to funding and administering
4 their recreational boating programs.

5 The committee shall complete the review by October 31, 2010.

6 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
7 **ACCOUNTABILITY PROGRAM COMMITTEE**

8 Performance Audits of Government Account--State

9 Appropriation \$3,728,000

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

11 General Fund--State Appropriation (FY 2010) \$200,000

12 General Fund--State Appropriation (FY 2011) \$25,000

13 Department of Retirement Systems Expense

14 Account--State Appropriation \$3,306,000

15 TOTAL APPROPRIATION \$3,731,000

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

18 (1) \$25,000 of the department of retirement systems--state
19 appropriation is provided solely for the continued study of local
20 government liabilities for postretirement medical benefits for members
21 of plan 1 of the law enforcement officers' and firefighters' retirement
22 system.

23 (2) \$20,000 of the department of retirement systems--state
24 appropriation is provided solely to assist the University of Washington
25 medical center and Harborview medical center with the financial
26 reporting of their postretirement benefits liabilities.

27 (3) \$175,000 of the general fund--state appropriation for fiscal
28 year 2010 is provided solely for the office of the state actuary to
29 conduct an independent assessment of alternatives for assuring the
30 long-term financial solvency of the guaranteed education tuition
31 program including suspension of the program. In conducting this
32 review, the office may contract for assistance, and shall consult with
33 the higher education coordinating board, the operating budget
34 committees of the legislature, the office of financial management, and
35 the state's public colleges and universities. The office shall report

1 findings, an assessment of the major alternatives, and suggested
2 actions to the governor and to the relevant legislative committees by
3 November 15, 2009.

4 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**
5 **COMMITTEE**

6 General Fund--State Appropriation (FY 2010) \$8,577,000
7 General Fund--State Appropriation (FY 2011) \$8,519,000
8 TOTAL APPROPRIATION \$17,096,000

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

10 General Fund--State Appropriation (FY 2010) \$4,674,000
11 General Fund--State Appropriation (FY 2011) \$5,082,000
12 TOTAL APPROPRIATION \$9,756,000

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

14 General Fund--State Appropriation (FY 2011) \$630,000

15 NEW SECTION. **Sec. 109. LEGISLATIVE AGENCIES.** In order to achieve
16 operating efficiencies within the financial resources available to the
17 legislative branch, the executive rules committee of the house of
18 representatives and the facilities and operations committee of the
19 senate by joint action may transfer funds among the house of
20 representatives, senate, joint legislative audit and review committee,
21 legislative evaluation and accountability program committee,
22 legislative transportation committee, office of the state actuary,
23 joint legislative systems committee, and statute law committee.

24 NEW SECTION. **Sec. 110. FOR THE SUPREME COURT**

25 General Fund--State Appropriation (FY 2010) \$7,221,000
26 General Fund--State Appropriation (FY 2011) \$7,240,000
27 TOTAL APPROPRIATION \$14,461,000

28 The appropriations in this section are subject to the following
29 conditions and limitations: It is the intent of the legislature that
30 the reductions in appropriations in this section shall be achieved, to
31 the greatest extent possible, by reducing those state government
32 administrative costs that do not affect direct client services or

1 direct service delivery or programs. The agency shall, to the greatest
2 extent possible, reduce spending in those areas that shall have the
3 least impact on implementing its mission.

4 NEW SECTION. **Sec. 111. FOR THE LAW LIBRARY**

5	General Fund--State Appropriation (FY 2010)	\$1,791,000
6	General Fund--State Appropriation (FY 2011)	\$1,785,000
7	TOTAL APPROPRIATION	\$3,576,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: It is the intent of the legislature that
10 the reductions in appropriations in this section shall be achieved, to
11 the greatest extent possible, by reducing those state government
12 administrative costs that do not affect direct client services or
13 direct service delivery or programs. The agency shall, to the greatest
14 extent possible, reduce spending in those areas that shall have the
15 least impact on implementing its mission.

16 NEW SECTION. **Sec. 112. FOR THE COURT OF APPEALS**

17	General Fund--State Appropriation (FY 2010)	\$16,485,000
18	General Fund--State Appropriation (FY 2011)	\$16,543,000
19	TOTAL APPROPRIATION	\$33,028,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: It is the intent of the legislature that
22 the reductions in appropriations in this section shall be achieved, to
23 the greatest extent possible, by reducing those state government
24 administrative costs that do not affect direct client services or
25 direct service delivery or programs. The agency shall, to the greatest
26 extent possible, reduce spending in those areas that shall have the
27 least impact on implementing its mission.

28 NEW SECTION. **Sec. 113. FOR THE COMMISSION ON JUDICIAL CONDUCT**

29	General Fund--State Appropriation (FY 2010)	\$1,076,000
30	General Fund--State Appropriation (FY 2011)	\$1,124,000
31	TOTAL APPROPRIATION	\$2,200,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: It is the intent of the legislature that
34 the reductions in appropriations in this section shall be achieved, to

1 the greatest extent possible, by reducing those state government
2 administrative costs that do not affect direct client services or
3 direct service delivery or programs. The agency shall, to the greatest
4 extent possible, reduce spending in those areas that shall have the
5 least impact on implementing its mission.

6 NEW SECTION. **Sec. 114. FOR THE ADMINISTRATOR FOR THE COURTS**

7	General Fund--State Appropriation (FY 2010)	\$57,935,000
8	General Fund--State Appropriation (FY 2011)	\$57,698,000
9	Judicial Information Systems Account--State	
10	Appropriation	\$31,321,000
11	TOTAL APPROPRIATION	\$146,954,000

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

14 (1) \$1,800,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$1,800,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for school districts for petitions
17 to juvenile court for truant students as provided in RCW 28A.225.030
18 and 28A.225.035. The office of the administrator for the courts shall
19 develop an interagency agreement with the superintendent of public
20 instruction to allocate the funding provided in this subsection.
21 Allocation of this money to school districts shall be based on the
22 number of petitions filed. This funding includes amounts school
23 districts may expend on the cost of serving petitions filed under RCW
24 28A.225.030 by certified mail or by personal service or for the
25 performance of service of process for any hearing associated with RCW
26 28A.225.030.

27 (2)(a) \$8,252,000 of the general fund--state appropriation for
28 fiscal year 2010 and \$8,253,000 of the general fund--state
29 appropriation for fiscal year 2011 are provided solely for distribution
30 to county juvenile court administrators to fund the costs of processing
31 truancy, children in need of services, and at-risk youth petitions.
32 The administrator for the courts, in conjunction with the juvenile
33 court administrators, shall develop an equitable funding distribution
34 formula. The formula shall neither reward counties with higher than
35 average per-petition processing costs nor shall it penalize counties
36 with lower than average per-petition processing costs.

1 (b) Each fiscal year during the 2009-11 fiscal biennium, each
2 county shall report the number of petitions processed and the total
3 actual costs of processing truancy, children in need of services, and
4 at-risk youth petitions. Counties shall submit the reports to the
5 administrator for the courts no later than 45 days after the end of the
6 fiscal year. The administrator for the courts shall electronically
7 transmit this information to the chairs and ranking minority members of
8 the house of representatives appropriations committee and the senate
9 ways and means committee no later than 60 days after a fiscal year
10 ends. These reports are deemed informational in nature and are not for
11 the purpose of distributing funds.

12 (3) The distributions made under this subsection and distributions
13 from the county criminal justice assistance account made pursuant to
14 section 801 of this act constitute appropriate reimbursement for costs
15 for any new programs or increased level of service for purposes of RCW
16 43.135.060.

17 (4) \$106,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$106,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for the twenty-third superior
20 court judge position in Pierce county. The funds appropriated in this
21 subsection shall be expended only if the judge is appointed and serving
22 on the bench.

23 (5) It is the intent of the legislature that the reductions in
24 appropriations in this section shall be achieved, to the greatest
25 extent possible, by reducing those state government administrative
26 costs that do not affect direct client services or direct service
27 delivery or programs. The agency shall, to the greatest extent
28 possible, reduce spending in those areas that shall have the least
29 impact on implementing its mission.

30 **Sec. 115.** 2009 c 4 s 113 (uncodified) is amended to read as
31 follows:

32 **FOR THE OFFICE OF PUBLIC DEFENSE**

33	General Fund--State Appropriation (FY 2010)	\$26,517,000
34	General Fund--State Appropriation (FY 2011)	\$26,448,000
35	TOTAL APPROPRIATION	\$52,965,000

36 The appropriations in this section are subject to the following
37 conditions and limitations: It is the intent of the legislature that

1 the reductions in appropriations in this section shall be achieved, to
2 the greatest extent possible, by reducing those state government
3 administrative costs that do not affect direct client services or
4 direct service delivery or programs. The agency shall, to the greatest
5 extent possible, reduce spending in those areas that shall have the
6 least impact on implementing its mission.

7 NEW SECTION. **Sec. 116. FOR THE OFFICE OF CIVIL LEGAL AID**

8	General Fund--State Appropriation (FY 2010)	\$11,127,000
9	General Fund--State Appropriation (FY 2011)	\$11,125,000
10	TOTAL APPROPRIATION	\$22,252,000

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

13 (1) An amount not to exceed \$40,000 of the general fund--state
14 appropriation for fiscal year 2010 and an amount not to exceed \$40,000
15 of the general fund--state appropriation for fiscal year 2011 may be
16 used to provide telephonic legal advice and assistance to otherwise
17 eligible persons who are sixty years of age or older on matters
18 authorized by RCW 2.53.030(2) (a) through (k) regardless of household
19 income or asset level.

20 (2) It is the intent of the legislature that the reductions in
21 appropriations in this section shall be achieved, to the greatest
22 extent possible, by reducing those state government administrative
23 costs that do not affect direct client services or direct service
24 delivery or programs. The agency shall, to the greatest extent
25 possible, reduce spending in those areas that shall have the least
26 impact on implementing its mission.

27 NEW SECTION. **Sec. 117. FOR THE OFFICE OF THE GOVERNOR**

28	General Fund--State Appropriation (FY 2010)	\$6,270,000
29	General Fund--State Appropriation (FY 2011)	\$6,250,000
30	TOTAL APPROPRIATION	\$12,520,000

31 NEW SECTION. **Sec. 118. FOR THE LIEUTENANT GOVERNOR**

32	General Fund--State Appropriation (FY 2010)	\$782,000
33	General Fund--State Appropriation (FY 2011)	\$798,000
34	General Fund--Private/Local Appropriation	\$90,000
35	TOTAL APPROPRIATION	\$1,670,000

1 NEW SECTION. **Sec. 119. FOR THE PUBLIC DISCLOSURE COMMISSION**

2	General Fund--State Appropriation (FY 2010)	\$2,273,000
3	General Fund--State Appropriation (FY 2011)	\$2,262,000
4	TOTAL APPROPRIATION	\$4,535,000

5 NEW SECTION. **Sec. 120. FOR THE SECRETARY OF STATE**

6	General Fund--State Appropriation (FY 2010)	\$21,446,000
7	General Fund--State Appropriation (FY 2011)	\$17,561,000
8	General Fund--Federal Appropriation	\$8,158,000
9	Archives and Records Management Account--State	
10	Appropriation	\$8,911,000
11	Department of Personnel Service Account--State	
12	Appropriation	\$765,000
13	Local Government Archives Account--State Appropriation . .	\$11,833,000
14	Election Account--Federal Appropriation	\$29,730,000
15	TOTAL APPROPRIATION	\$98,404,000

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

18 (1) \$4,101,000 of the general fund--state appropriation for fiscal
19 year 2010 is provided solely to reimburse counties for the state's
20 share of primary and general election costs and the costs of conducting
21 mandatory recounts on state measures. Counties shall be reimbursed
22 only for those odd-year election costs that the secretary of state
23 validates as eligible for reimbursement.

24 (2)(a) \$1,897,000 of the general fund--state appropriation for
25 fiscal year 2010 and \$2,076,000 of the general fund--state
26 appropriation for fiscal year 2011 are provided solely for contracting
27 with a nonprofit organization to produce gavel-to-gavel television
28 coverage of state government deliberations and other events of
29 statewide significance during the 2009-2011 biennium. The funding
30 level for each year of the contract shall be based on the amount
31 provided in this subsection. The nonprofit organization shall be
32 required to raise contributions or commitments to make contributions,
33 in cash or in kind, in an amount equal to forty percent of the state
34 contribution. The office of the secretary of state may make full or
35 partial payment once all criteria in this subsection have been
36 satisfactorily documented.

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

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

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

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

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

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

21 (3) The appropriations in this section are based upon savings
22 assumed from the implementation of Senate Bill No. 6122 (election
23 costs).

24 (4) The secretary of state shall not reduce the services provided
25 by the talking book and Braille library below the service level
26 provided in fiscal year 2008.

27 NEW SECTION. **Sec. 121. FOR THE GOVERNOR'S OFFICE OF INDIAN**
28 **AFFAIRS**

29 General Fund--State Appropriation (FY 2010) \$198,000
30 General Fund--State Appropriation (FY 2011) \$207,000
31 TOTAL APPROPRIATION \$405,000

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

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

5 NEW SECTION. **Sec. 122. FOR THE COMMISSION ON ASIAN PACIFIC**
6 **AMERICAN AFFAIRS**

7	General Fund--State Appropriation (FY 2010)	\$164,000
8	General Fund--State Appropriation (FY 2011)	\$151,000
9	TOTAL APPROPRIATION	\$315,000

10 NEW SECTION. **Sec. 123. FOR THE STATE TREASURER**

11	State Treasurer's Service Account--State	
12	Appropriation	\$15,021,000

13 NEW SECTION. **Sec. 124. FOR THE STATE AUDITOR**

14	General Fund--State Appropriation (FY 2010)	\$733,000
15	General Fund--State Appropriation (FY 2011)	\$738,000
16	State Auditing Services Revolving	
17	Account--State Appropriation	\$12,480,000
18	TOTAL APPROPRIATION	\$13,951,000

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

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

26 (2) \$752,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$762,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for staff and related costs to
29 verify the accuracy of reported school district data submitted for
30 state funding purposes; conduct school district program audits of state
31 funded public school programs; establish the specific amount of state
32 funding adjustments whenever audit exceptions occur and the amount is
33 not firmly established in the course of regular public school audits;
34 and to assist the state special education safety net committee when
35 requested.

1 NEW SECTION. **Sec. 125. FOR THE CITIZENS' COMMISSION ON SALARIES**
2 **FOR ELECTED OFFICIALS**

3	General Fund--State Appropriation (FY 2010)	\$157,000
4	General Fund--State Appropriation (FY 2011)	\$224,000
5	TOTAL APPROPRIATION	\$381,000

6 NEW SECTION. **Sec. 126. FOR THE ATTORNEY GENERAL**

7	General Fund--State Appropriation (FY 2010)	\$5,989,000
8	General Fund--State Appropriation (FY 2011)	\$6,294,000
9	General Fund--Federal Appropriation	\$4,026,000
10	New Motor Vehicle Arbitration Account--State	
11	Appropriation	\$1,356,000
12	Legal Services Revolving Account--State Appropriation . .	\$223,974,000
13	Tobacco Prevention and Control Account--State	
14	Appropriation	\$270,000
15	TOTAL APPROPRIATION	\$241,909,000

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

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

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

33 (3) The attorney general shall annually report to the fiscal
34 committees of the legislature all new cy pres awards and settlements
35 and all new accounts, disclosing their intended uses, balances, the
36 nature of the claim or account, proposals, and intended timeframes for

1 the expenditure of each amount. The report shall be distributed
2 electronically and posted on the attorney general's web site. The
3 report shall not be printed on paper or distributed physically.

4 (4) \$82,000 of the fiscal year 2010 general fund--state
5 appropriation and \$82,000 of the fiscal year 2011 general fund--state
6 appropriation are provided solely to implement Second Substitute Senate
7 Bill No. 5850 (human trafficking violations). If the bill is not
8 enacted by June 30, 2009, the amounts provided in this subsection shall
9 lapse.

10 NEW SECTION. **Sec. 127. FOR THE CASELOAD FORECAST COUNCIL**

11	General Fund--State Appropriation (FY 2010)	\$793,000
12	General Fund--State Appropriation (FY 2011)	\$790,000
13	TOTAL APPROPRIATION	\$1,583,000

14 NEW SECTION. **Sec. 128. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
15 **AND ECONOMIC DEVELOPMENT**

16	General Fund--State Appropriation (FY 2010)	\$54,818,000
17	General Fund--State Appropriation (FY 2011)	\$55,550,000
18	General Fund--Federal Appropriation	\$428,903,000
19	General Fund--Private/Local Appropriation	\$14,714,000
20	Public Works Assistance Account--State Appropriation	\$2,461,000
21	Tourism Development and Promotion Account--State	
22	Appropriation	\$1,002,000
23	Drinking Water Assistance Administrative	
24	Account--State Appropriation	\$439,000
25	Lead Paint Account--State Appropriation	\$18,000
26	Building Code Council Account--State Appropriation	\$1,340,000
27	Home Security Fund Account--State Appropriation	\$16,726,000
28	Affordable Housing for All Account--State Appropriation	\$11,900,000
29	Independent Youth Housing Account--State Appropriation	\$83,000
30	Financial Fraud and Identity Theft Crimes Investigation	
31	and Prosecution Account--State Appropriation	\$1,166,000
32	Low-Income Weatherization Assistance Account--State	
33	Appropriation	\$8,389,000
34	Manufacturing Innovation and Modernization	
35	Account--State Appropriation	\$246,000
36	Community and Economic Development Fee	

1	Account--State Appropriation	\$1,849,000
2	Washington Housing Trust Account--State Appropriation . . .	\$14,776,000
3	Manufactured Housing Account--State Appropriation\$1,000
4	Public Facility Construction Loan Revolving	
5	Account--State Appropriation	\$760,000
6	Energy Recovery Act Account--State Appropriation	\$38,500,000
7	TOTAL APPROPRIATION	\$653,641,000

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

10 (1) \$2,520,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$2,521,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for a contract with the Washington
13 technology center for work essential to the mission of the Washington
14 technology center and conducted in partnership with universities.

15 (2) Repayments of outstanding loans granted under RCW 43.63A.600,
16 the mortgage and rental assistance program, shall be remitted to the
17 department, including any current revolving account balances. The
18 department shall collect payments on outstanding loans, and deposit
19 them into the state general fund. Repayments of funds owed under the
20 program shall be remitted to the department according to the terms
21 included in the original loan agreements.

22 (3) \$100,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$100,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely to implement section 2(7) of
25 Engrossed Substitute House Bill No. 1959 (land use and transportation
26 planning for marine container ports). If the bill is not enacted by
27 June 30, 2009, the amounts provided in this subsection shall lapse.

28 (4) \$45,000 of the building code council account--state
29 appropriation is provided solely for the implementation of Engrossed
30 Substitute Senate Bill No. 5895 (residential real property). If the
31 bill is not enacted by June 30, 2009, the amount provided in this
32 subsection shall lapse.

33 (5) \$102,000 of the building code council account--state
34 appropriation is provided solely for the implementation of sections 3
35 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (building
36 efficiency). If sections 3 and 7 of the bill are not enacted by June
37 30, 2009, the amounts provided in this subsection shall lapse.

1 (6)(a) \$49,000,000 of the general fund--federal appropriation is
2 provided solely for grants for low income weatherization, consistent
3 with the provisions of 42 U.S.C. 6861 et seq.

4 (b) \$10,500,000 of the general fund--federal appropriation is
5 provided for training and technical assistance associated with low
6 income weatherization programs. Subject to federal requirements, the
7 department shall provide: (i) \$4,000,000 to the state board for
8 community and technical colleges to provide workforce training related
9 to weatherization and energy efficiency; (ii) \$3,000,000 to the
10 Bellingham opportunity council to provide workforce training related to
11 energy efficiency and weatherization; and (iii) \$3,500,000 to
12 community-based organizations and to community action agencies
13 consistent with the provisions of chapter . . . , Laws of 2009
14 (Engrossed Second Substitute House Bill No. 2227).

15 (c) \$6,787,000 of the general fund--federal appropriation is
16 provided solely for the state energy program, including not less than
17 \$5,000,000 to provide credit enhancements consistent with the
18 provisions of chapter . . . , Laws of 2009 (Engrossed Second Substitute
19 Senate Bill No. 5649).

20 (d) The department shall provide: \$14,500,000 to the Washington
21 State University for the purpose of making grants for pilot projects
22 providing community-wide urban, residential, and commercial energy
23 efficiency upgrades consistent with the provisions of chapter . . . ,
24 Laws of 2009 (Engrossed Second Substitute Senate Bill No. 5649);
25 \$500,000 to Washington State University to conduct farm energy
26 assessments. In contracting with the Washington State University for
27 the provision of these services, the total administration of Washington
28 State University and the department shall not exceed 3 percent of the
29 amounts provided.

30 (e) \$38,500,000 of the general fund--federal appropriation is
31 provided for deposit in the energy recovery act account to establish a
32 revolving loan program, consistent with the provisions of chapter . .
33 . . , Laws of 2009 (Engrossed Substitute House Bill No. 2289). The
34 department must consult with the clean energy leadership council prior
35 to awarding funds from this account. The utilization of these funds
36 shall be consistent with the recommendations of the clean energy
37 leadership council created by chapter . . . , Laws of 2009 (Substitute
38 Senate Bill No. 5921).

1 (f) \$10,646,000 of the general fund--federal appropriation is
2 provided pursuant to the energy efficiency and conservation block grant
3 under the American reinvestment and recovery act. The department may
4 use up to \$3,000,000 of the amount provided in this subsection to
5 provide technical assistance for energy programs administered by the
6 agency under the American reinvestment and recovery act.

7 (7) \$28,000 of the general fund--state appropriation for fiscal
8 year 2010 is provided solely for the implementation of Engrossed Second
9 Substitute Senate Bill No. 5560 (state agency climate leadership). If
10 the bill is not enacted by June 30, 2009, the amount provided in this
11 subsection shall lapse.

12 (8) \$22,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$20,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely for the implementation of
15 Engrossed Second Substitute Senate Bill No. 5138 (integrated climate
16 change response). If the bill is not enacted by June 30, 2009, the
17 amounts provided in this subsection shall lapse.

18 (9) Associate development organizations receiving funding through
19 the appropriations in this section shall work with the community and
20 technical colleges to better align workforce and economic development
21 programs within industry clusters identified by the associate
22 development associations as necessary to deploy funds in response to
23 high-demand fields and consistent with Engrossed Second Substitute
24 Senate Bill No. 5809 (revising unemployment compensation and workforce
25 training provisions). The workforce programs should be consistent with
26 industry clusters identified by the associate development organization
27 and approved by a private industry partner within the industry cluster.

28 (10) \$22,400,000 of the general fund--federal appropriation is
29 provided solely for the justice assistance grant program and is
30 contingent upon the department transferring \$6,400,000 to the
31 department of corrections for security threat mitigation and \$1,700,000
32 to the Washington state patrol for law enforcement activities. The
33 remaining funds shall be distributed by the department to local
34 jurisdictions.

35 (11) \$20,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$20,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for a grant to KCTS public

1 television to support Spanish language programming and the V-me Spanish
2 language channel.

3 (12) \$500,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$500,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for a grant to resolution
6 Washington to building statewide capacity for alternative dispute
7 resolution centers and dispute resolution programs that guarantee that
8 citizens have access to low-cost resolution as an alternative to
9 litigation.

10 (13) \$142,000 of the general fund--state appropriation for fiscal
11 year 2010 is provided solely for implementation of Engrossed Substitute
12 Senate Bill No. 5840 (energy independence). If the bill is not enacted
13 by June 30, 2009, the amount provided in this subsection shall lapse.

14 (14) \$30,000 of the general fund--state appropriation for fiscal
15 year 2010 is provided solely for implementation of Engrossed Second
16 Substitute Senate Bill No. 6015 (commercialization of technology). If
17 the bill is not enacted by June 30, 2009, the amount provided in this
18 subsection shall lapse.

19 (15) By June 30, 2011, the department shall request information
20 from jurisdictions that are required to review and if necessary revise
21 their comprehensive plans by December 1, 2011, in accordance with RCW
22 36.70A.130, that describes what, or if the jurisdictions have adopted
23 or are in the process of adopting, that help achieve the greenhouse gas
24 emission reductions established in RCW 70.235.020.

25 (16) During the 2009-11 fiscal biennium, the department shall allot
26 all of its appropriations subject to allotment by object, account, and
27 expenditure authority code to conform with the office of financial
28 management's definition of an option 2 allotment. For those funds
29 subject to allotment but not appropriation, the agency shall submit
30 option 2 allotments to the office of financial management.

31 (17) A county receiving funds pursuant to RCW 36.22.178, 36.22.179,
32 and 36.22.1791, shall, within that funding:

33 (a) Beginning July 1, 2009, include a life-cycle cost analysis
34 program as one of the criteria in deciding which proposals to award
35 funds. "Life-cycle cost analysis" means an analysis of the total
36 discounted dollar cost of owning, operating, maintaining, and disposing
37 of a building or building system to compare the cost of capital

1 developments to vouchers, and to compare the cost of two or more
2 competing development proposals.

3 (b) By September 30, 2009, and September 30, 2010, submit to the
4 department of community, trade, and economic development a report
5 describing the distribution of the funds. The report shall include:

6 (i) A description of the process used by the county for allocating
7 funds;

8 (ii) The use of funds including, but not limited to, housing
9 vouchers, program services, and housing projects; and

10 (iii) The criteria used for making funding allocation decisions.

11 (c) By December 1st of each year, the department of community,
12 trade, and economic development shall prepare a report to the
13 legislature and the office of financial management compiling the
14 reports submitted under (b) of this subsection. For the funds
15 collected under RCW 36.22.178, 36.22.179, and 36.22.1791, and allocated
16 by the department to entities other than counties, this report must
17 also include:

18 (i) A description of the process used by the department for
19 allocating funds;

20 (ii) The use of funds including, but not limited to, housing
21 vouchers, program services, and housing projects; and

22 (iii) The criteria used for making funding allocation decisions.

23 (18) \$50,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$50,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for a grant for the state's
26 participation in the Pacific Northwest economic region.

27 (19) \$100,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$100,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely for a contract with the University
30 of Washington college of forest resources' center for international
31 trade in forest products.

32 (20) The Washington state economic development commission shall
33 review existing state infrastructure programs which are focused on
34 economic development and provide analysis, findings, and
35 recommendations to the legislature and governor on preferred policy
36 priorities and funding options for existing programs and possible
37 revised or new programs to best ensure successful state economic
38 efforts which are: (a) Aligned with the state's comprehensive plan for

1 economic development; (b) responding to emerging economic conditions
2 and opportunities; (c) improving local capacity; (d) maximizing results
3 through partnerships and leveraging private capital; and (e) providing
4 accountability to the public, the executive branch, and the legislative
5 branch. The commission shall submit its report to the governor and the
6 legislature by December 1, 2009.

7 NEW SECTION. **Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST**
8 **COUNCIL**

9 General Fund--State Appropriation (FY 2010) \$801,000
10 General Fund--State Appropriation (FY 2011) \$755,000
11 TOTAL APPROPRIATION \$1,556,000

12 NEW SECTION. **Sec. 130. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

13 General Fund--State Appropriation (FY 2010) \$19,982,000
14 General Fund--State Appropriation (FY 2011) \$19,066,000
15 General Fund--Federal Appropriation \$23,610,000
16 General Fund--Private/Local Appropriation \$1,272,000
17 State Auditing Services Revolving
18 Account--State Appropriation \$25,000
19 Economic Development Strategic Reserve Account--
20 State Appropriation \$280,000
21 Performance Audits of Government Account--State
22 Appropriation \$4,700,000
23 TOTAL APPROPRIATION \$68,935,000

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

26 (1) \$188,000 of the general fund--state appropriation for fiscal
27 year 2010 is provided solely for the implementation of Second
28 Substitute Senate Bill No. 5945 (Washington health partnership plan).

29 If the bill is not enacted by June 30, 2009, the amount provided in
30 this subsection shall lapse.

31 (2) \$542,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$542,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for the implementation of
34 Engrossed Senate Bill No. 6048 (state's education system). If the bill
35 is not enacted by June 30, 2009, the accounts provided in this
36 subsection shall lapse.

1 (3) The office of financial management shall conduct a study on
 2 alternatives for consolidating or transferring activities and
 3 responsibilities of the state lottery commission, state horse racing
 4 commission, state liquor control board, and the state gambling
 5 commission to achieve cost savings and regulatory efficiencies. In
 6 conducting the study, the office of financial management shall consult
 7 with the legislative fiscal committees. Further, the office of
 8 financial management shall establish an advisory group to include, but
 9 not be limited to, representatives of affected businesses, state
 10 agencies or entities, local governments, and stakeholder groups. The
 11 office of financial management shall submit a final report to the
 12 governor and the legislative fiscal committees by November 15, 2009.

13 NEW SECTION. **Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**
 14 Administrative Hearings Revolving
 15 Account--State Appropriation \$33,908,000

16 NEW SECTION. **Sec. 132. FOR THE DEPARTMENT OF PERSONNEL**
 17 General Fund--State Appropriation (FY 2010) \$39,000
 18 General Fund--State Appropriation (FY 2011) \$39,000
 19 Department of Personnel Service Account--State
 20 Appropriation \$22,389,000
 21 Higher Education Personnel Services Account--State
 22 Appropriation \$1,722,000
 23 TOTAL APPROPRIATION \$24,189,000

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

1 NEW SECTION. **Sec. 133. FOR THE WASHINGTON STATE LOTTERY**

2 Lottery Administrative Account--State Appropriation \$28,059,000

3 NEW SECTION. **Sec. 134. FOR THE COMMISSION ON HISPANIC AFFAIRS**

4 General Fund--State Appropriation (FY 2010) \$182,000

5 General Fund--State Appropriation (FY 2011) \$189,000

6 TOTAL APPROPRIATION \$371,000

7 NEW SECTION. **Sec. 135. FOR THE COMMISSION ON AFRICAN-AMERICAN**
8 **AFFAIRS**

9 General Fund--State Appropriation (FY 2010) \$171,000

10 General Fund--State Appropriation (FY 2011) \$172,000

11 TOTAL APPROPRIATION \$343,000

12 NEW SECTION. **Sec. 136. FOR THE DEPARTMENT OF RETIREMENT**
13 **SYSTEMS--OPERATIONS**

14 Department of Retirement Systems Expense

15 Account--State Appropriation \$48,293,000

16 The appropriation in this section is subject to the following
17 conditions and limitations:

18 (1) \$148,000 of the department of retirement systems--state
19 appropriation is provided solely for the administrative costs
20 associated with implementation of Senate Bill No. 5303 (transferring
21 members of retirement systems). If the bill is not enacted by June 30,
22 2009, the amount provided in this subsection shall lapse.

23 (2) \$12,000 of the department of retirement systems--state
24 appropriation is provided solely for the administrative costs
25 associated with implementation of Senate Bill No. 5542 or House Bill
26 No. 1678 (minimum disability benefits). If neither bill is enacted by
27 June 30, 2009, the amount provided in this subsection shall lapse.

28 (3) \$45,000 of the department of retirement systems expense
29 account--state appropriation is provided solely to implement Substitute
30 House Bill No. 1445 (Washington state patrol retirement system domestic
31 partners). If the bill is not enacted by June 30, 2009, the amount
32 provided in this subsection shall lapse.

33 (4) \$56,000 of the department of retirement systems expense
34 account--state appropriation is provided solely to implement House Bill

1 No. 1548 (military service credit purchases). If the bill is not
2 enacted by June 30, 2009, the amount provided in this subsection shall
3 lapse.

4 (5) \$35,000 of the department of retirement systems expense
5 account--state appropriation is provided solely to implement Substitute
6 House Bill No. 1953 (department of fish and wildlife enforcement
7 officers' past service credit). If the bill is not enacted by June 30,
8 2009, the amount provided in this subsection shall lapse.

9 NEW SECTION. **Sec. 137. FOR THE DEPARTMENT OF REVENUE**

10	General Fund--State Appropriation (FY 2010)	\$107,421,000
11	General Fund--State Appropriation (FY 2011)	\$107,731,000
12	Timber Tax Distribution Account--State Appropriation	\$5,969,000
13	Waste Reduction/Recycling/Litter	
14	Control--State Appropriation	\$131,000
15	Waste Tire Removal Account--State Appropriation	\$2,000
16	Real Estate Excise Tax Grant Account--State	
17	Appropriation	\$1,050,000
18	State Toxics Control Account--State Appropriation	\$89,000
19	Oil Spill Prevention Account--State Appropriation	\$18,000
20	TOTAL APPROPRIATION	\$222,411,000

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

23 (1) \$469,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$374,000 of the general fund--state appropriation for
25 fiscal year 2011 are for the implementation of Substitute Senate Bill
26 No. 5368 (annual property revaluation). If the bill is not enacted by
27 June 30, 2009, the amounts in this subsection shall lapse.

28 (2) \$5,453,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$5,242,000 of the general fund--state appropriation for
30 fiscal year 2011 are for the implementation of revenue enhancement
31 strategies. The strategies must include increased out-of-state
32 auditing and compliance, the purchase of third party data sources for
33 enhanced audit selection, and increased traditional auditing and
34 compliance efforts.

35 NEW SECTION. **Sec. 138. FOR THE STATE INVESTMENT BOARD**

36 State Investment Board Expense Account--State

1 Appropriation \$29,997,000

2 The appropriation in this section is subject to the following
3 conditions and limitations:

4 (1) \$2,471,000 of the state investment board expense account--state
5 appropriation is provided solely for development of a risk management
6 information system, with the intent that further expenditures for this
7 project be made only by appropriation.

8 (2) The state investment board shall include funding for any future
9 salary increases authorized under RCW 43.33A.100 in the agency's budget
10 request submitted in accordance with chapter 43.88 RCW in advance of
11 granting related salary increases. The biennial salary survey required
12 under RCW 43.33A.100 shall also be provided to the office of financial
13 management and to the fiscal committees of the legislature as part of
14 the state investment board's biennial budget submittal, and shall
15 include the total amount of compensation increases proposed, as well as
16 recommended salary ranges.

17 NEW SECTION. **Sec. 139. FOR THE BOARD OF TAX APPEALS**

18 General Fund--State Appropriation (FY 2010) \$1,418,000
19 General Fund--State Appropriation (FY 2011) \$1,417,000
20 TOTAL APPROPRIATION \$2,835,000

21 NEW SECTION. **Sec. 140. FOR THE MUNICIPAL RESEARCH COUNCIL**

22 County Research Services Account--State Appropriation \$940,000
23 City and Town Research Services--State Appropriation \$4,515,000
24 TOTAL APPROPRIATION \$5,455,000

25 NEW SECTION. **Sec. 141. FOR THE OFFICE OF MINORITY AND WOMEN'S
26 BUSINESS ENTERPRISES**

27 OMWBE Enterprises Account--State Appropriation \$3,669,000

28 NEW SECTION. **Sec. 142. FOR THE DEPARTMENT OF GENERAL
29 ADMINISTRATION**

30 General Fund--State Appropriation (FY 2010) \$817,000
31 General Fund--State Appropriation (FY 2011) \$813,000
32 General Fund--Federal Appropriation \$5,661,000
33 General Administration Service Account--State
34 Appropriation \$36,021,000

1 TOTAL APPROPRIATION \$43,312,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: \$28,000 of the general fund--state
4 appropriation for fiscal year 2010 and \$28,000 of the general fund--
5 state appropriation for fiscal year 2011 are provided solely for the
6 purposes of section 8 of Engrossed Second Substitute Senate Bill No.
7 5854 (built environment pollution). If section 8 of the bill is not
8 enacted by June 30, 2009, the amounts provided in this subsection shall
9 lapse.

10 NEW SECTION. Sec. 143. FOR THE DEPARTMENT OF INFORMATION
11 SERVICES

12	General Fund--State Appropriation (FY 2010)	\$1,106,000
13	General Fund--State Appropriation (FY 2011)	\$1,105,000
14	General Fund--Federal Appropriation	\$1,502,000
15	Data Processing Revolving Account--State Appropriation . . .	\$7,905,000
16	TOTAL APPROPRIATION	\$11,618,000

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

19 (1) \$100,000 of the general fund--state appropriation for fiscal
20 year 2010, \$100,000 of the general fund--state appropriation for fiscal
21 year 2011, and \$800,000 of the general fund--federal appropriation are
22 provided solely for the purposes of Engrossed Second Substitute House
23 Bill No. 1701 (high-speed internet), including expenditure for deposit
24 to the community technology opportunity account. If the bill is not
25 enacted by June 30, 2009, the amounts provided in this subsection shall
26 lapse.

27 (2) The department shall implement some or all of the following
28 strategies to achieve savings on information technology expenditures
29 through: (a) Holistic virtualization strategies; (b) wide-area network
30 optimization strategies; (c) replacement of traditional telephone
31 communications systems with alternatives; and (d) migration of external
32 voice mail systems to internal voice mail systems coordinated by the
33 department. The department shall consult with a systems integration
34 firm in order to assess the potential reduction in information
35 technology expenditures that can be achieved through the strategies
36 identified in this subsection. No later than July 1, 2010, the

1 department shall report its findings to the office of financial
2 management and the fiscal committees of the legislature.

3 NEW SECTION. **Sec. 144. FOR THE INSURANCE COMMISSIONER**

4 General Fund--Federal Appropriation \$1,952,000
5 Insurance Commissioners Regulatory Account--State
6 Appropriation \$48,572,000
7 TOTAL APPROPRIATION \$50,524,000

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

10 (1) \$410,000 of the insurance commissioner's regulatory account
11 appropriation is provided solely to implement Substitute Senate Bill
12 No. 5480 (discount health plans). If the bill is not enacted by June
13 30, 2009, the amount provided in this subsection shall lapse.

14 (2) \$598,000 of the insurance commissioner's regulatory account
15 appropriation is provided solely to implement Substitute Senate Bill
16 No. 5195 (life settlements model act). If the bill is not enacted by
17 June 30, 2009, the amount provided in this subsection shall lapse.

18 (3) \$551,000 of the insurance commissioner's regulatory account
19 appropriation is provided solely to implement Second Substitute Senate
20 Bill No. 5346 (health care administration simplification). If the bill
21 is not enacted by June 30, 2009, the amount provided in this subsection
22 shall lapse.

23 NEW SECTION. **Sec. 145. FOR THE BOARD OF ACCOUNTANCY**

24 Certified Public Accountants' Account--State
25 Appropriation \$3,045,000

26 NEW SECTION. **Sec. 146. FOR THE FORENSIC INVESTIGATION COUNCIL**

27 Death Investigations Account--State Appropriation \$280,000

28 The appropriation in this section is subject to the following
29 conditions and limitations: \$250,000 of the death investigation
30 account appropriation is provided solely for providing financial
31 assistance to local jurisdictions in multiple death investigations.
32 The forensic investigation council shall develop criteria for awarding
33 these funds for multiple death investigations involving an
34 unanticipated, extraordinary, and catastrophic event or those involving
35 multiple jurisdictions.

1 NEW SECTION. **Sec. 147. FOR THE HORSE RACING COMMISSION**

2 Horse Racing Commission Operating Account--State

3 Appropriation \$5,137,000

4 The appropriation in this section is subject to the following
5 conditions and limitations: Pursuant to RCW 43.135.055, the commission
6 is authorized to increase licensing fees during the 2009-2011 fiscal
7 biennium as necessary to support the appropriation in this section.

8 NEW SECTION. **Sec. 148. FOR THE LIQUOR CONTROL BOARD**

9 Liquor Control Board Construction and Maintenance

10 Account--State Appropriation \$8,817,000

11 Liquor Revolving Account--State Appropriation \$202,097,000

12 TOTAL APPROPRIATION \$210,914,000

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

15 (1) \$1,306,000 of the liquor revolving account--state appropriation
16 is provided solely for the liquor control board to open five new state
17 stores.

18 (2) \$40,000 of the liquor revolving account--state appropriation is
19 provided solely for the liquor control board to open ten new contract
20 stores.

21 (3) \$3,059,000 of the liquor revolving account--state appropriation
22 is provided solely for the liquor control board to increase state and
23 local revenues from new retail strategies including opening nine state
24 stores on Sunday, opening state liquor stores on seven holidays,
25 opening six mall locations during the holiday season, and increasing
26 lottery sales.

27 NEW SECTION. **Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

28 Volunteer Firefighters' and Reserve Officers'

29 Administrative Account--State Appropriation \$1,031,000

30 NEW SECTION. **Sec. 150. FOR THE UTILITIES AND TRANSPORTATION**
31 **COMMISSION**

32 Public Service Revolving Account--State Appropriation . . . \$31,652,000

33 Pipeline Safety Account--State Appropriation \$3,221,000

34 Pipeline Safety Account--Federal Appropriation \$1,554,000

35 TOTAL APPROPRIATION \$36,427,000

1 NEW SECTION. **Sec. 151. FOR THE MILITARY DEPARTMENT**

2	General Fund--State Appropriation (FY 2010)	\$10,297,000
3	General Fund--State Appropriation (FY 2011)	\$10,311,000
4	General Fund--Federal Appropriation	\$149,422,000
5	Enhanced 911 Account--State Appropriation	\$39,624,000
6	Disaster Response Account--State Appropriation	\$28,243,000
7	Disaster Response Account--Federal Appropriation	\$91,263,000
8	Military Department Rent and Lease Account--State	
9	Appropriation	\$615,000
10	Military Department Active State Service Account--Federal	
11	Appropriation	\$200,000
12	Worker and Community Right-to-Know Account--State	
13	Appropriation	\$347,000
14	Nisqually Earthquake Account--State Appropriation	\$144,000
15	Nisqually Earthquake Account--Federal Appropriation	\$856,000
16	TOTAL APPROPRIATION	\$331,322,000

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

19 (1) \$28,243,000 of the disaster response account--state
20 appropriation and \$91,263,000 of the disaster response account--federal
21 appropriation may be spent only on disasters declared by the governor
22 and with the approval of the office of financial management. The
23 military department shall submit a report quarterly to the office of
24 financial management and the legislative fiscal committees detailing
25 information on the disaster response account, including: (a) The
26 amount and type of deposits into the account; (b) the current available
27 fund balance as of the reporting date; and (c) the projected fund
28 balance at the end of the 2009-2011 biennium based on current revenue
29 and expenditure patterns.

30 (2) \$144,000 of the Nisqually earthquake account--state
31 appropriation and \$856,000 of the Nisqually earthquake account--federal
32 appropriation are provided solely for response and recovery costs
33 associated with the February 28, 2001, earthquake. The military
34 department shall submit a report quarterly to the office of financial
35 management and the legislative fiscal committees detailing earthquake
36 recovery costs, including: (a) Estimates of total costs; (b)
37 incremental changes from the previous estimate; (c) actual
38 expenditures; (d) estimates of total remaining costs to be paid; and

1 (e) estimates of future payments by biennium. This information shall
2 be displayed by fund, by type of assistance, and by amount paid on
3 behalf of state agencies or local organizations. The military
4 department shall also submit a report quarterly to the office of
5 financial management and the legislative fiscal committees detailing
6 information on the Nisqually earthquake account, including: (a) The
7 amount and type of deposits into the account; (b) the current available
8 fund balance as of the reporting date; and (c) the projected fund
9 balance at the end of the 2009-2011 biennium based on current revenue
10 and expenditure patterns.

11 (3) \$85,000,000 of the general fund--federal appropriation is
12 provided solely for homeland security, subject to the following
13 conditions:

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

17 (b) The department shall submit a quarterly report to the office of
18 financial management and the legislative fiscal committees detailing
19 the governor's domestic security advisory group recommendations;
20 homeland security revenues and expenditures, including estimates of
21 total federal funding for the state; incremental changes from the
22 previous estimate, planned and actual homeland security expenditures by
23 the state and local governments with this federal funding; and matching
24 or accompanying state or local expenditures; and

25 (c) The department shall submit a report by December 1st of each
26 year to the office of financial management and the legislative fiscal
27 committees detailing homeland security revenues and expenditures for
28 the previous fiscal year by county and legislative district.

29 (4) \$500,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$500,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the military department to
32 contract with the Washington information network 2-1-1 to operate a
33 statewide 2-1-1 system. The department shall provide the entire amount
34 for 2-1-1 and shall use any of the funds for administrative purposes.

35 NEW SECTION. **Sec. 152. FOR THE PUBLIC EMPLOYMENT RELATIONS**
36 **COMMISSION**

37 General Fund--State Appropriation (FY 2010) \$3,110,000

1 General Fund--State Appropriation (FY 2011) \$3,115,000
 2 Department of Personnel Service Account--State
 3 Appropriation \$3,269,000
 4 TOTAL APPROPRIATION \$9,494,000

5 NEW SECTION. **Sec. 153. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**
 6 **HISTORIC PRESERVATION**

7 General Fund--State Appropriation (FY 2010) \$1,401,000
 8 General Fund--State Appropriation (FY 2011) \$1,380,000
 9 General Fund--Federal Appropriation \$1,668,000
 10 General Fund--Private/Local Appropriation \$14,000
 11 TOTAL APPROPRIATION \$4,463,000

12 NEW SECTION. **Sec. 154. FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

13 General Fund--State Appropriation (FY 2010) \$1,418,000
 14 General Fund--State Appropriation (FY 2011) \$1,426,000
 15 TOTAL APPROPRIATION \$2,844,000

16 NEW SECTION. **Sec. 155. FOR THE STATE CONVENTION AND TRADE CENTER**

17 State Convention and Trade Center Account--State
 18 Appropriation \$60,127,000
 19 State Convention and Trade Center Operating
 20 Account--State Appropriation \$56,995,000
 21 TOTAL APPROPRIATION \$117,122,000

(End of part)

1 enrollment. The WMIP pilot projects shall not exceed a daily
 2 enrollment of 6,000 persons, nor expand beyond one county, during the
 3 2009-2011 biennium. The amount of funding assigned to the pilot
 4 projects from each program may not exceed the average per capita cost
 5 assumed in this act for individuals covered by that program,
 6 actuarially adjusted for the health condition of persons enrolled in
 7 the pilot project, times the number of clients enrolled in the pilot
 8 project. In implementing the WMIP pilot projects, the department may:
 9 (a) Withhold from calculations of "available resources" as set forth in
 10 RCW 71.24.025 a sum equal to the capitated rate for individuals
 11 enrolled in the pilots; and (b) employ capitation financing and risk-
 12 sharing arrangements in collaboration with health care service
 13 contractors licensed by the office of the insurance commissioner and
 14 qualified to participate in both the medicaid and medicare programs.
 15 The department shall conduct an evaluation of the WMIP, measuring
 16 changes in participant health outcomes, changes in patterns of service
 17 utilization, participant satisfaction, participant access to services,
 18 and the state fiscal impact.

19 (5) The appropriations to the department of social and health
 20 services in this act shall be expended for the programs and in the
 21 amounts specified in this act. However, after May 1, 2010, unless
 22 specifically prohibited by this act, the department may transfer
 23 general fund--state appropriations for fiscal year 2010 among programs
 24 after approval by the director of financial management.

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

27	General Fund--State Appropriation (FY 2010)	\$317,813,000
28	General Fund--State Appropriation (FY 2011)	\$320,684,000
29	General Fund--Federal Appropriation	\$505,604,000
30	General Fund--Private/Local Appropriation	\$400,000
31	Home Security Fund Appropriation	\$1,789,000
32	Domestic Violence Prevention Account--State	
33	Appropriation	\$1,145,000
34	TOTAL APPROPRIATION	\$1,147,435,000

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

1 (1) \$3,063,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$3,063,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the category of services
4 titled "intensive family preservation services."

5 (2) \$993,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$993,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely to contract for the operation of
8 one pediatric interim care facility. The facility shall provide
9 residential care for up to seventeen children through two years of age.
10 Seventy-five percent of the children served by the facility must be in
11 need of special care as a result of substance abuse by their mothers.
12 The facility shall also provide on-site training to biological,
13 adoptive, or foster parents. The facility shall provide at least three
14 months of consultation and support to parents accepting placement of
15 children from the facility. The facility may recruit new and current
16 foster and adoptive parents for infants served by the facility. The
17 department shall not require case management as a condition of the
18 contract.

19 (3) \$375,000 of the general fund--state appropriation for fiscal
20 year 2008, \$375,000 of the general fund--state appropriation for fiscal
21 year 2009, and \$322,000 of the general fund--federal appropriation are
22 provided solely for up to three nonfacility-based programs for the
23 training, consultation, support, and recruitment of biological, foster,
24 and adoptive parents of children through age three in need of special
25 care as a result of substance abuse by their mothers, except that each
26 program may serve up to three medically fragile nonsubstance-abuse-
27 affected children. In selecting nonfacility-based programs, preference
28 shall be given to programs whose federal or private funding sources
29 have expired or that have successfully performed under the existing
30 pediatric interim care program.

31 (4) \$2,500,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$2,500,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for secure crisis residential
34 centers. Within appropriated amounts, the department shall collaborate
35 with providers to maintain no less than forty-five beds that are
36 geographically representative of the state. The department shall
37 examine current secure crisis residential staffing requirements,

1 flexible payment options, center specific waivers, and other
2 appropriate methods to accomplish this outcome.

3 (5) A maximum of \$77,817,000 of the general fund--state
4 appropriations and \$57,563,000 of the general fund--federal
5 appropriations for the 2009-11 biennium may be expended for behavioral
6 rehabilitative services. The department shall work with behavioral
7 rehabilitative service providers to decrease the length of stay through
8 improved emotional, behavioral, or medical outcomes for children in
9 behavioral rehabilitative services in order to achieve the appropriated
10 levels.

11 (a) The department shall work to not reduce entry rates into
12 behavioral rehabilitative services and achieve a maximum caseload ten
13 percent below fiscal year 2009 levels adjusted for changes in total
14 foster care caseloads. Contracted providers shall act in good faith
15 and accept the hardest to place children, to the greatest extent
16 possible, in order to improve their emotional, behavioral, or medical
17 conditions.

18 (b) The department and the contracted provider shall mutually agree
19 and establish an exit date for when the child is to exit the behavioral
20 rehabilitative service provider. The department and the contracted
21 provider should mutually agree, to the greatest extent possible, on a
22 viable placement for the child to go to once the child's treatment
23 process has been completed. The child shall exit only when the
24 emotional, behavioral, or medical condition has improved or if the
25 provider has not shown progress toward the outcomes specified in the
26 signed contract at the time of exit. This subsection (b) does not
27 prevent or eliminate the department's responsibility for removing the
28 child from the provider if the child's emotional, behavioral, or
29 medical condition worsens or is threatened.

30 (c) The department is encouraged to use performance-based contracts
31 with incentives directly tied to outcomes described in this section.
32 The contracts should incentivize contracted providers to accept the
33 hardest to place children and incentivize improvement in children's
34 emotional, mental, and medical well-being within the established exit
35 date. The department is further encouraged to increase the use of
36 behavioral rehabilitative service group homes and other means to
37 control expenditures.

1 (d) The total foster care per capita amount shall not increase more
2 than four percent in the 2009-11 biennium and shall not include
3 behavioral rehabilitative service.

4 (6) Within amounts provided for the foster care and adoption
5 support programs, the department shall control reimbursement decisions
6 for foster care and adoption support cases such that the aggregate
7 average cost per case for foster care and for adoption support does not
8 exceed the amounts assumed in the projected caseload expenditures.

9 (7) Within amounts appropriated in this section, priority shall be
10 given to proven intervention models, including evidence-based
11 prevention and early intervention programs identified by the Washington
12 state institute for public policy and the department. The department
13 shall include information on the number, type, and outcomes of the
14 evidence-based programs being implemented in its reports on child
15 welfare reform efforts.

16 (8) \$37,000 of the general fund--state appropriation for fiscal
17 year 2010, \$37,000 of the general fund--state appropriation for fiscal
18 year 2011, and \$32,000 of the general fund--federal appropriation are
19 provided solely for the implementation of chapter 465, Laws of 2007
20 (child welfare).

21 (9) \$125,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$125,000 of the general fund--state appropriation for
23 fiscal year 2011 are provided solely for continuum of care services.
24 \$100,000 of this amount is for Casey family partners and \$25,000 of
25 this amount is for volunteers of America crosswalk in fiscal year 2010.
26 \$100,000 of this amount is for Casey family partners and \$25,000 of
27 this amount is for volunteers of America crosswalk in fiscal year 2011.

28 (10) \$616,000 of the general fund--state appropriation for fiscal
29 year 2010, \$616,000 of the general fund--state appropriation for fiscal
30 year 2011, and \$368,000 of the general fund--federal appropriation are
31 provided solely to contract with medical professionals for
32 comprehensive safety assessments of high-risk families. The safety
33 assessments will use validated assessment tools to guide intervention
34 decisions through the identification of additional safety and risk
35 factors. \$800,000 of this amount is for comprehensive safety
36 assessments for families receiving in-home child protective services or
37 family voluntary services. \$800,000 of this amount is for
38 comprehensive safety assessments of families with an infant age birth

1 to fifteen days where the infant was, at birth, diagnosed as substance
2 exposed and the department received an intake referral related to the
3 infant due to the substance exposure.

4 (11) \$7,970,000 of the general fund--state appropriation for fiscal
5 year 2010, \$7,711,000 of the general fund--state appropriation for
6 fiscal year 2011, and \$5,177,000 of the general fund--federal
7 appropriation are provided solely for court-ordered supervised visits
8 between parents and dependent children. The department shall work
9 collaboratively with the juvenile dependency courts to stay within
10 appropriations without impeding reunification outcomes between parents
11 and dependent children. The department shall report to the legislative
12 fiscal committees quarterly, the number of children in foster care who
13 receive supervised visits, their frequency, length of time of each
14 visit, and whether reunification is attained.

15 (12) \$1,789,000 of the home security fund--state appropriation is
16 provided solely for street youth program services.

17 (13) The appropriations in this section reflect a one percent
18 decrease in all vendor rate payments. To achieve these savings, the
19 department shall implement a one-half percent vendor rate reduction for
20 fiscal year 2010 and a one-half percent vendor rate reduction for
21 fiscal year 2011 to achieve a total vendor rate reduction of one
22 percent.

23 (14) The appropriations in this section reflect reductions in the
24 appropriations for information technology expenses. It is the intent
25 of the legislature that these reductions shall be achieved, to the
26 greatest extent possible, by reducing those costs that do not affect
27 the contractual obligation of the state for the famlink system or the
28 department's ability to provide timely data reports.

29 (15) Within appropriations in this section, specific funds are
30 provided for Senate Bill No. 5943 (child welfare services).

31 (16) The appropriations in this section reflect reductions in the
32 appropriations for the children's administration administrative
33 expenses. It is the intent of the legislature that these reductions
34 shall be achieved, to the greatest extent possible, by reducing those
35 administrative costs that do not affect direct client services or
36 direct service delivery or programs.

1 NEW SECTION. **Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

2 **SERVICES--JUVENILE REHABILITATION PROGRAM**

3 General Fund--State Appropriation (FY 2010) \$107,913,000
4 General Fund--State Appropriation (FY 2011) \$93,431,000
5 General Fund--Federal Appropriation \$5,564,000
6 General Fund--Private/Local Appropriation \$1,901,000
7 Washington Auto Theft Prevention Authority Account--
8 State Appropriation \$196,000
9 Juvenile Accountability Incentive Account--Federal
10 Appropriation \$2,812,000
11 TOTAL APPROPRIATION \$211,817,000

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

14 (1) \$353,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$353,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for deposit in the county criminal
17 justice assistance account for costs to the criminal justice system
18 associated with the implementation of chapter 338, Laws of 1997
19 (juvenile code revisions). The amounts provided in this subsection are
20 intended to provide funding for county adult court costs associated
21 with the implementation of chapter 338, Laws of 1997 and shall be
22 distributed in accordance with RCW 82.14.310.

23 (2) \$3,578,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$3,578,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for the implementation of chapter
26 338, Laws of 1997 (juvenile code revisions). The amounts provided in
27 this subsection are intended to provide funding for county impacts
28 associated with the implementation of chapter 338, Laws of 1997 and
29 shall be distributed to counties as prescribed in the current
30 consolidated juvenile services (CJS) formula.

31 (3) \$3,716,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$3,716,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely to implement community juvenile
34 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
35 code revisions). Funds provided in this subsection may be used solely
36 for community juvenile accountability grants, administration of the
37 grants, and evaluations of programs funded by the grants.

1 (4) \$1,506,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$1,506,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely to implement alcohol and substance
4 abuse treatment programs for locally committed offenders. The juvenile
5 rehabilitation administration shall award these moneys on a competitive
6 basis to counties that submitted a plan for the provision of services
7 approved by the division of alcohol and substance abuse. The juvenile
8 rehabilitation administration shall develop criteria for evaluation of
9 plans submitted and a timeline for awarding funding and shall assist
10 counties in creating and submitting plans for evaluation.

11 (5) \$2,669,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$2,947,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for grants to county juvenile
14 courts for the following programs identified by the Washington state
15 institute for public policy (institute) in its October 2006 report:
16 "Evidence-Based Public Policy Options to Reduce Future Prison
17 Construction, Criminal Justice Costs and Crime Rates": Functional
18 family therapy, multi-systemic therapy, aggression replacement training
19 and interagency coordination programs, or other programs with a
20 positive benefit-cost finding in the institute's report. County
21 juvenile courts shall apply to the juvenile rehabilitation
22 administration for funding for program-specific participation and the
23 administration shall provide grants to the courts consistent with the
24 per-participant treatment costs identified by the institute.

25 (6) \$1,287,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$787,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for expansion of the following
28 treatments and therapies in juvenile rehabilitation administration
29 programs identified by the Washington state institute for public policy
30 in its October 2006 report: "Evidence-Based Public Policy Options to
31 Reduce Future Prison Construction, Criminal Justice Costs and Crime
32 Rates": Multidimensional treatment foster care, family integrated
33 transitions, and aggression replacement training. The administration
34 may concentrate delivery of these treatments and therapies at a limited
35 number of programs to deliver the treatments in a cost-effective
36 manner.

37 (7) \$64,000,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$47,000,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the operations of the Echo
2 Glen children's center, the Maple Lane school, the Green Hill school,
3 the Naselle youth camp, and the juvenile offender basic training camp
4 and are contingent upon the closure of the Green Hill school on July 1,
5 2010. In fiscal year 2011, the department may expend funds at Green
6 Hill school solely for the purpose of maintaining and preserving the
7 physical plant of the school.

8 (8)(a) For the fiscal year ending June 30, 2010, the juvenile
9 rehabilitation administration shall offer a block grant, rather than
10 categorical funding, of consolidated juvenile service funds, community
11 juvenile accountability act grants, the chemical dependency disposition
12 alternative funds, the special sex offender disposition alternative
13 funds, the mental health disposition alternative, sentencing
14 disposition alternative, and evidence-based program expansion grants to
15 juvenile courts for the purpose of serving youth adjudicated in the
16 juvenile justice system. Evidence-based programs and disposition
17 alternatives will be funding priorities. Funds may be used for
18 promising practices when approved by juvenile rehabilitation
19 administration, based on criteria established in consultation with
20 Washington state institute for public policy and the juvenile courts.
21 By September 1, 2009, the juvenile rehabilitation administration, in
22 consultation with Washington state institute for public policy and the
23 juvenile courts, shall develop a funding formula that takes into
24 account the juvenile courts average daily population of program
25 eligible youth in conjunction with the number of youth served in each
26 approved evidence-based program or disposition alternative. By
27 September 1, 2010, the Washington state institute for public policy
28 shall provide a report to the office of financial management and the
29 legislature on the administration of the block grant authorized in this
30 subsection. The report shall include the criteria used for allocating
31 the funding as a block grant and the participation targets and actual
32 participation in the programs subject to the block grant.

33 (b) By December 1, 2009, the juvenile rehabilitation
34 administration, in consultation with Washington state institute for
35 public policy, the juvenile courts, and the office of the administrator
36 of the courts shall propose to the office of financial management and
37 the legislature changes in the process of funding and managing,
38 including accountability and information collection and dissemination,

1 grants to juvenile courts for serving youth adjudicated in the juvenile
2 court system use in the fiscal year ending June 30, 2011. The proposal
3 shall include, but is not limited to: A process of making a block
4 grant of funds consistent with (a) of this subsection; a program of
5 data collection and measurement criteria for receiving the funds which
6 will include targets of the number of youth served in identified
7 evidence-based programs and disposition alternatives in which the
8 juvenile courts and office of the administrator of the courts will have
9 responsibility for collecting and distributing information and
10 providing access to the data systems to the juvenile rehabilitation
11 administration and the Washington state institute for public policy
12 related to program and outcome data; and necessary changes to the
13 Washington administrative code.

14 (c) Within the funds provided for criminal justice analysis in
15 section 610(4) of this act, the Washington state institute for public
16 policy shall conduct an analysis of the costs per participant of
17 evidence-based programs by the juvenile courts and by December 1, 2009,
18 shall report the results of this analysis to the juvenile
19 rehabilitation administration, the juvenile courts, office of the
20 administrator of the courts, the office of financial management, and
21 the fiscal committees of the legislature.

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

24 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

25 General Fund--State Appropriation (FY 2010)	\$266,677,000
26 General Fund--State Appropriation (FY 2011)	\$296,617,000
27 General Fund--Federal Appropriation	\$463,180,000
28 General Fund--Private/Local Appropriation	\$14,868,000
29 TOTAL APPROPRIATION	\$1,041,342,000

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

32 (a) \$113,684,000 of the general fund--state appropriation for
33 fiscal year 2010 and \$113,684,000 of the general fund--state
34 appropriation for fiscal year 2011 are provided solely for persons and
35 services not covered by the medicaid program. This is a reduction of
36 \$11,608,000 each fiscal year from the nonmedicaid funding that was
37 allocated for expenditure by regional support networks during fiscal

1 year 2009 prior to supplemental budget reductions. This \$11,608,000
2 reduction shall be distributed among regional support networks
3 proportional to each network's share of the total state population. To
4 the extent possible, levels of regional support network spending shall
5 be maintained in the following priority order: (i) Crisis and
6 commitment services; (ii) community inpatient services; and (iii)
7 residential care services, including personal care and emergency
8 housing assistance.

9 (b) \$16,900,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$16,900,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the department and regional
12 support networks to contract for implementation of high-intensity
13 program for active community treatment (PACT) teams, and other proven
14 program approaches that the department concurs will enable the regional
15 support network to achieve significant reductions in the number of beds
16 the regional support network would otherwise need to use at the state
17 hospitals.

18 (c) The number of nonforensic beds allocated for use by regional
19 support networks at eastern state hospital shall be 192 per day. The
20 number of nonforensic beds allocated for use by regional support
21 networks at western state hospital shall be 617 per day during the
22 first quarter of fiscal year 2010, and 587 per day thereafter. Beds in
23 the program for adaptive living skills (PALS) are not included in the
24 preceding bed allocations. The department shall separately charge
25 regional support networks for persons served in the PALS program.

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

32 (e) \$4,582,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$4,582,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for mental health services for
35 mentally ill offenders while confined in a county or city jail and for
36 facilitating access to programs that offer mental health services upon
37 release from confinement.

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

4 (g) \$750,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$750,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely to continue performance-based
7 incentive contracts to provide appropriate community support services
8 for individuals with severe mental illness who were discharged from the
9 state hospitals as part of the expanding community services initiative.
10 These funds will be used to enhance community residential and support
11 services provided by regional support networks through other state and
12 federal funding.

13 (h) \$1,500,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$1,500,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the Spokane regional support
16 network to implement services to reduce utilization and the census at
17 eastern state hospital. Such services shall include:

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

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

24 (iii) Mental health services provided in nursing facilities to
25 individuals with dementia, and consultation to facility staff treating
26 those individuals; and

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

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

32 (i) The department shall return to the Spokane regional support
33 network fifty percent of the amounts assessed against the network
34 during the last six months of calendar year 2009 for state hospital
35 utilization in excess of its contractual limit. The regional support
36 network shall use these funds for operation during its initial months
37 of a new sixteen-bed evaluation and treatment facility that will enable

1 the network to reduce its use of the state hospital, and for diversion
2 and community support services for persons with dementia who would
3 likely otherwise require care at the state hospital.

4 (j) The department is directed to identify and implement program
5 efficiencies and benefit changes in its delivery of medicaid managed-
6 care services that are sufficient to operate within the state and
7 federal appropriations in this section. Such actions may include but
8 are not limited to methods such as adjusting the care access standards;
9 improved utilization management of ongoing, recurring, and high-
10 intensity services; and increased uniformity in provider payment rates.
11 The department shall ensure that the capitation rate adjustments
12 necessary to accomplish these efficiencies and changes are distributed
13 uniformly and equitably across all regional support networks statewide.
14 The department is directed to report to the relevant legislative fiscal
15 and policy committees at least thirty days prior to implementing rate
16 adjustments reflecting these changes.

17 (k) In developing the new medicaid managed care rates under which
18 the public mental health managed care system will operate during the
19 five years beginning in fiscal year 2011, the department should seek to
20 estimate the reasonable and necessary cost of efficiently and
21 effectively providing a comparable set of medically necessary mental
22 health benefits to persons of different acuity levels regardless of
23 where in the state they live. Actual prior period spending in a
24 regional administrative area shall not be a key determinant of future
25 payment rates. The department shall report to the office of financial
26 management and to the relevant fiscal and policy committees of the
27 legislature on its proposed new waiver and mental health managed care
28 rate-setting approach by October 1, 2009, and again at least sixty days
29 prior to implementation of new capitation rates.

30 (1) \$1,529,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$1,529,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely to reimburse Pierce and Spokane
33 counties for the cost of conducting 180-day commitment hearings at the
34 state psychiatric hospitals.

35 (2) INSTITUTIONAL SERVICES

36	General Fund--State Appropriation (FY 2010)	\$122,858,000
37	General Fund--State Appropriation (FY 2011)	\$126,888,000
38	General Fund--Federal Appropriation	\$152,098,000

1 General Fund--Private/Local Appropriation \$65,870,000
2 TOTAL APPROPRIATION \$467,714,000

3 The appropriations in this subsection are subject to the following
4 conditions and limitations: The state psychiatric hospitals may use
5 funds appropriated in this subsection to purchase goods and supplies
6 through hospital group purchasing organizations when it is cost-
7 effective to do so.

8 (3) SPECIAL PROJECTS
9 General Fund--State Appropriation (FY 2010) \$1,895,000
10 General Fund--State Appropriation (FY 2011) \$1,888,000
11 General Fund--Federal Appropriation \$3,085,000
12 TOTAL APPROPRIATION \$6,868,000

13 (4) PROGRAM SUPPORT
14 General Fund--State Appropriation (FY 2010) \$4,193,000
15 General Fund--State Appropriation (FY 2011) \$4,213,000
16 General Fund--Federal Appropriation \$7,422,000
17 TOTAL APPROPRIATION \$15,828,000

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

20 (1) COMMUNITY SERVICES
21 General Fund--State Appropriation (FY 2010) \$313,692,000
22 General Fund--State Appropriation (FY 2011) \$368,480,000
23 General Fund--Federal Appropriation \$850,164,000
24 TOTAL APPROPRIATION \$1,532,336,000

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

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

31 (b) The department shall establish rates for boarding homes, adult
32 family homes, group homes, and supported living providers in an amount
33 not to exceed the appropriations in this subsection. The department is
34 authorized to reduce rates, if necessary to manage the appropriations
35 in this subsection.

1 (c) Consistent with RCW 74.09.520 and in accordance with RCW
2 74.39A.270(6)(f), the department shall adjust plans of care for in-home
3 clients receiving personal care under the state plan or 1915(c) waivers
4 to reduce utilized service hours by three percent for all
5 classification groups. The resulting level of hours is sufficient to
6 ensure client care.

7 (d) \$800,000 of the general fund--state appropriation for fiscal
8 year 2010, \$2,034,000 of the general fund--state appropriation for
9 fiscal year 2011, and \$4,006,000 of the general fund--federal
10 appropriation are provided solely for the children's intensive in-home
11 behavioral supports waiver authorized in the 2008 supplemental
12 appropriations act (chapter 329, Laws of 2008). Within the amounts
13 provided in this subsection, the department shall serve children in the
14 community rather than in institutions as the best practice, when
15 possible. Funds provided as part of expanded community services may
16 also be used to serve children in the community.

17 (e) \$5,593,000 of the general fund--state appropriation for fiscal
18 year 2010, \$4,002,000 of the general fund--state appropriation for
19 fiscal year 2011, and \$14,701,000 of the general fund--federal
20 appropriation are provided solely for expanded community services,
21 prioritized for all of the following groups: (i) Children who are at
22 risk of institutionalization, in residential habilitation centers, or
23 who are aging out of other state services; (ii) residents of
24 residential habilitation centers who are able to be adequately cared
25 for in community settings and who choose to live in those community
26 settings; (iii) adult clients without residential services who are at
27 immediate risk of institutionalization or in crisis; and (iv) current
28 home and community-based waiver program clients who have been assessed
29 as having an immediate need for increased services. The department
30 shall electronically report to the appropriate committees of the
31 legislature on a quarterly basis on the number of persons served with
32 these additional community services, and the actual expenditures for
33 all community services to support these clients.

34 (f) \$493,000 of the general fund--state appropriation for fiscal
35 year 2010, \$1,463,000 of the general fund--state appropriation for
36 fiscal year 2011, and \$2,741,000 of the general fund--federal
37 appropriation are provided solely for residential and support services
38 for approximately thirty new clients with developmental disabilities

1 and community protection issues. New placements will serve clients
2 being diverted or discharged from state psychiatric hospitals,
3 participants in the dangerous mentally ill offender program,
4 participants in the community protection program, or mental health
5 crisis diversion outplacements.

6 (g) \$8,322,000 of the general fund--state appropriation for fiscal
7 year 2010, \$11,459,000 of the general fund--state appropriation for
8 fiscal year 2011, and \$29,034,000 of the general fund--federal
9 appropriation are provided solely for the state's contribution to the
10 cost of health care benefits for eligible participating providers,
11 pursuant to RCW 74.39A.270.

12 (h) \$1,788,000 of the general fund--state appropriation for fiscal
13 year 2011 and \$2,534,000 of the general fund--federal appropriation are
14 provided solely to implement Senate Bill No. . . . (delaying
15 implementation of Initiative Measure No. 1029). If the bill is not
16 enacted by June 30, 2009, the amounts provided in this subsection shall
17 lapse.

18 (i) Within the amounts appropriated in this subsection, the
19 department may expand the new freedom waiver program to accommodate new
20 waiver recipients throughout the state. As possible, and in compliance
21 with current state and federal laws, the department shall allow current
22 waiver recipients to transfer to the new freedom waiver.

23 (j) Within the amounts appropriated in this subsection (1), the
24 department shall implement all necessary rules to facilitate the
25 transfer to a department home and community-based services (HCBS)
26 waiver of all eligible individuals who (i) currently receive services
27 under the existing state-only employment and day program, and (ii)
28 otherwise meet the waiver eligibility requirements. The amounts
29 appropriated are sufficient to ensure that all individuals currently
30 receiving services under the state-only employment and day program who
31 are not transferred to a department HCBS waiver will continue to
32 receive services.

33 (k) Adult day health services shall only be authorized for in-home
34 clients.

35 (l) In addition to other reductions, the appropriations in this
36 subsection reflect reductions targeted specifically to state government
37 administrative costs. These administrative reductions shall be

1 achieved, to the greatest extent possible, by reducing those
2 administrative costs that do not affect direct client services or
3 direct service delivery or programs.

4 (2) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 2010)	\$61,805,000
6	General Fund--State Appropriation (FY 2011)	\$73,399,000
7	General Fund--Federal Appropriation	\$205,532,000
8	General Fund--Private/Local Appropriation	\$22,441,000
9	TOTAL APPROPRIATION	\$363,177,000

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

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

16 (b) Effective July 1, 2009, the department shall begin transferring
17 residents from Yakima Valley school to other institutional,
18 residential, or home-based settings: Provided, that (i) no individual
19 shall be moved from an institutional to a community setting until
20 sufficient services and support arrangements are in place to assure the
21 individual's health, safety, personal well-being, and continued growth
22 and development on an ongoing basis; (ii) the needs of each resident
23 have been assessed to identify the level of support needed to maintain
24 the person in the most normal and least-restrictive setting consistent
25 with the person's needs; and (iii) the department shall report to the
26 appropriate committees of the legislature by December 1, 2009, and at
27 the beginning of each biennial quarter thereafter, on specific progress
28 in accomplishing the goals of this subsection. All residents shall be
29 transferred by June 30, 2011.

30 (c) Within the amounts appropriated in this subsection, the
31 department may develop and pay enhanced rates to community providers,
32 including nursing facilities and others, in order to care for
33 individuals transitioning from residential habilitation centers.

34 (d) The developmental disabilities program is authorized to use
35 funds appropriated in this subsection to purchase goods and supplies
36 through direct contracting with vendors when the program determines it
37 is cost-effective to do so.

1 (e) \$721,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$721,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the department to fulfill its
4 contracts with the school districts under chapter 28A.190 RCW to
5 provide transportation, building space, and other support services as
6 are reasonably necessary to support the educational programs of
7 students living in residential habilitation centers.

8 (f) Within the amounts appropriated in this section, the department
9 shall prepare a report and plan on the closure of the Francis Hadden
10 Morgan institution. The report shall be submitted to the appropriate
11 committees of the legislature no later than January 15, 2010.

12 (g) In addition to other reductions, the appropriations in this
13 subsection reflect reductions targeted specifically to state government
14 administrative costs. These administrative reductions shall be
15 achieved, to the greatest extent possible, by reducing those
16 administrative costs that do not affect direct client services or
17 direct service delivery or programs.

18 (3) PROGRAM SUPPORT

19	General Fund--State Appropriation (FY 2010)	\$1,456,000
20	General Fund--State Appropriation (FY 2011)	\$1,410,000
21	General Fund--Federal Appropriation	\$1,407,000
22	TOTAL APPROPRIATION	\$4,273,000

23 The appropriations in this subsection are subject to the following
24 conditions and limitations: In addition to other reductions, the
25 appropriations in this subsection reflect reductions targeted
26 specifically to state government administrative costs. These
27 administrative reductions shall be achieved, to the greatest extent
28 possible, by reducing those administrative costs that do not affect
29 direct client services or direct service delivery or programs.

30 (4) SPECIAL PROJECTS

31	General Fund--State Appropriation (FY 2010)	\$16,000
32	General Fund--State Appropriation (FY 2011)	\$16,000
33	General Fund--Federal Appropriation	\$25,325,000
34	TOTAL APPROPRIATION	\$25,357,000

35 The appropriations in this subsection are subject to the following
36 conditions and limitations: The appropriations in this subsection are
37 available solely for the infant toddler early intervention program.

1 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

2 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

3 General Fund--State Appropriation (FY 2010) \$588,262,000
4 General Fund--State Appropriation (FY 2011) \$698,571,000
5 General Fund--Federal Appropriation \$1,815,861,000
6 General Fund--Private/Local Appropriation \$19,593,000
7 Traumatic Brain Injury Account--State Appropriation \$1,816,000
8 TOTAL APPROPRIATION \$3,124,103,000

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

11 (1) \$16,714,000 of the general fund--state appropriation for fiscal
12 year 2010, \$23,767,000 of the general fund--state appropriation for
13 fiscal year 2011, and \$59,291,000 of the general fund--federal
14 appropriation are provided solely for the state's contribution to the
15 cost of health care benefits for eligible participating providers,
16 pursuant to RCW 74.39A.270.

17 (2) For purposes of implementing chapter 74.46 RCW, the weighted
18 average nursing facility payment rate shall not exceed \$156.37 for
19 fiscal year 2010 and shall not exceed \$158.74 for fiscal year 2011.
20 There shall be no adjustment for economic trends and conditions for
21 rates established for fiscal year 2010 and there shall be no adjustment
22 for economic trends and conditions for rates established for fiscal
23 year 2011. Economic trends and conditions factor or factors defined in
24 any earlier appropriations act shall not be applied solely or
25 compounded to the component rate allocations established in accordance
26 with chapter 74.46 RCW.

27 (3) In accordance with chapter 74.46 RCW, the department shall
28 issue no additional certificates of capital authorization for fiscal
29 year 2010 and no new certificates of capital authorization for fiscal
30 year 2011.

31 (4) The department shall establish rates for boarding homes and
32 adult family homes in an amount not to exceed the appropriation in this
33 section. The department shall reduce rates to manage the
34 appropriations in this section.

35 (5) Within funds appropriated in this section, the long-term care
36 program may develop and pay exceptional care rates:

37 (a) To boarding homes that contract for specialized care for

1 persons with Alzheimer's disease and related dementias who might
2 otherwise require nursing home care, provided the total number of beds
3 does not exceed 610;

4 (b) So that persons with AIDS or HIV-related diseases who might
5 otherwise require nursing home or hospital care may instead be served
6 in adult family homes or boarding homes that specialize in the care of
7 persons with AIDS or HIV-related diseases; and

8 (c) To adult family homes and boarding homes that are contracted to
9 provide support for specifically eligible clients as part of the
10 expanded community services program, to reduce the use of state and
11 local psychiatric hospitals for individuals who are not receiving
12 active treatment.

13 (6) Reductions to rates paid to adult family homes and boarding
14 homes also apply to those receiving exceptional care rates for
15 HIV/AIDS, dementia, and enhanced community services, but will not apply
16 to the portion of their rate that is considered exceptional, which will
17 remain unchanged from fiscal year 2009 levels.

18 (7) Within the amounts appropriated in this section, the department
19 may expand the new freedom waiver program to accommodate new waiver
20 recipients throughout the state. As possible, and in compliance with
21 current state and federal laws, the department shall allow current
22 waiver recipients to transfer to the new freedom waiver.

23 (8) Consistent with RCW 74.09.520 and in accordance with RCW
24 74.39A.270(6)(f), the department shall adjust plans of care for in-home
25 clients receiving personal care under the state plan or 1915(c) waivers
26 to reduce utilized service hours by an average of three percent for all
27 classification groups. The resulting level of hours is sufficient to
28 ensure client care.

29 (9) Individuals receiving services as supplemental security income
30 (SSI) state supplemental payments shall not become eligible for medical
31 assistance under RCW 74.09.510 due solely to the receipt of SSI state
32 supplemental payments.

33 (10) Adult day health services shall only be authorized for in-home
34 clients.

35 (11) \$265,000 of the general fund--state appropriation for fiscal
36 year 2010, \$3,274,000 of the general fund--state appropriation for
37 fiscal year 2011, and \$4,291,000 of the general fund--federal
38 appropriation are provided solely to implement Senate Bill No.

1 (delaying implementation of Initiative Measure No. 1029). If the bill
2 is not enacted by June 30, 2009, the amounts provided in this
3 subsection shall lapse.

4 (12) \$3,955,000 of the general fund--state appropriation for fiscal
5 year 2010, \$4,239,000 of the general fund--state appropriation for
6 fiscal year 2011, and \$10,190,000 of the general fund--federal
7 appropriation are provided solely for the continued operation of
8 community residential and support services for persons who are older
9 adults or who have co-occurring medical and behavioral disorders and
10 who have been discharged or diverted from a state psychiatric hospital.
11 These funds shall be used to serve individuals whose treatment needs
12 constitute substantial barriers to community placement, who no longer
13 require active psychiatric treatment at an inpatient hospital level of
14 care, and who no longer meet the criteria for inpatient involuntary
15 commitment. Coordination of these services will be done in partnership
16 between the mental health program and the aging and disability services
17 administration.

18 (13) Within the funds provided, the department shall continue to
19 provide an add-on per medicaid resident day per facility not to exceed
20 \$1.57. The add-on shall be used to increase wages, benefits, and/or
21 staffing levels for certified nurse aides; or to increase wages and/or
22 benefits for dietary aides, housekeepers, laundry aides, or any other
23 category of worker whose statewide average dollars-per-hour wage was
24 less than \$15 in calendar year 2008, according to cost report data.
25 The add-on may also be used to address resulting wage compression for
26 related job classes immediately affected by wage increases to low-wage
27 workers. The department shall continue reporting requirements and a
28 settlement process to ensure that the funds are spent according to this
29 subsection. The department shall adopt rules to implement the terms of
30 this subsection.

31 (14) \$1,840,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$1,877,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for operation of the volunteer
34 chore services program.

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

37 General Fund--State Appropriation (FY 2010) \$515,164,000

1	General Fund--State Appropriation (FY 2011)	\$536,391,000
2	General Fund--Federal Appropriation	\$1,509,040,000
3	General Fund--Private/Local Appropriation	\$27,920,000
4	Administrative Contingency Account--State	
5	Appropriation	\$15,489,000
6	Employment Service Administrative Account--State	
7	Appropriation	\$6,645,000
8	TOTAL APPROPRIATION	\$2,610,649,000

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

11 (1) \$310,197,000 of the general fund--state appropriation for
12 fiscal year 2010, \$310,197,000 of the general fund--state appropriation
13 for fiscal year 2011, \$15,489,000 of the administrative contingency
14 account--state appropriation, \$6,645,000 of the employment service
15 administrative account--state appropriation, and \$832,657,000 of the
16 general fund--federal appropriation are provided solely for all
17 components of the WorkFirst program. The department shall use moneys
18 from the administrative contingency account and the employment service
19 administrative account for WorkFirst job placement services provided by
20 the employment security department. Within the amounts provided for
21 the WorkFirst program, the department may provide assistance using
22 state-only funds for families eligible for temporary assistance for
23 needy families.

24 (2) The department and the office of financial management shall
25 report quarterly the expenditures, maintenance of effort allotments,
26 expenditure amounts, and caseloads for the WorkFirst program to the
27 legislative fiscal committees.

28 (3) A maximum of \$40,491,000 of the general fund--state
29 appropriation for the 2009-11 biennium may be expended for general
30 assistance-unemployable cash benefits. The department will prioritize
31 its review of the caseload by:

32 (a) Evaluating those recipients who have remained on this caseload
33 for more than 12 months and, pursuant to RCW 74.04.005(6)(g), shall
34 have their benefits discontinued unless the recipient demonstrates no
35 material improvement in their medical or mental condition has occurred,

36 (b) Evaluating those recipients who have a co-occurring alcohol or
37 drug addiction and refer them to the appropriate assessment, treatment,

1 or shelter services, pursuant to RCW 74.04.005(6)(a)(ii)(C). The
2 department shall not prohibit granting general assistance benefits to
3 alcoholics and drug addicts who are incapacitated due to other physical
4 or mental conditions that meet the eligibility criteria for the general
5 assistance program. If these enrollees fail to accept such services,
6 pursuant to RCW 74.04.005(6)(c), the department shall terminate their
7 benefits until the person agrees to cooperate, and

8 (c) Evaluating any recipient who, pursuant to RCW 74.04.005(6)(c),
9 has not accepted all available services that can reasonably be expected
10 to enable the individual to work, the department shall terminate their
11 benefits until the person agrees to cooperate.

12 If caseload reductions cannot be achieved through the reviews under
13 this subsection (3), the department shall establish a rateable
14 reduction to the cash grant amounts, pursuant to RCW 74.04.770, to
15 achieve the appropriated levels.

16 (4) \$46,216,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$47,072,000 of the general fund--state appropriation for
18 fiscal year 2011 are for general assistance--expedited cash benefits and
19 state funded general assistance--expedited medical expenditures. If the
20 general assistance--expedited medical caseload increases above four
21 percent per year, the department shall establish a rateable reduction
22 to general assistance--expedited cash grant amounts, pursuant to RCW
23 74.04.770, to pay for increases above four percent in the medical
24 program. The cash benefit expenditures shall not increase above four
25 percent per year.

26 (5) \$4,277,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$4,412,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for the state's contribution to
29 the cost of health benefits for eligible participating child care
30 providers.

31 (6) The appropriations in this section reflect reductions in the
32 appropriations for the economic services administration's
33 administrative expenses. It is the intent of the legislature that
34 these reductions shall be achieved, to the greatest extent possible, by
35 reducing those administrative costs that do not affect direct client
36 services or direct service delivery or program.

1 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

2 **SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

3	General Fund--State Appropriation (FY 2010)	\$82,720,000
4	General Fund--State Appropriation (FY 2011)	\$85,360,000
5	General Fund--Federal Appropriation	\$145,800,000
6	General Fund--Private/Local Appropriation	\$632,000
7	Criminal Justice Treatment Account--State	
8	Appropriation	\$17,750,000
9	Problem Gambling Account--State Appropriation	\$1,462,000
10	TOTAL APPROPRIATION	\$333,724,000

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

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

18 (2) Within the amounts appropriated in this section, the department
19 shall continue to provide for chemical dependency treatment services
20 for adult medicaid eligible and general assistance-unemployable
21 patients.

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

28 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

29 **SERVICES--MEDICAL ASSISTANCE PROGRAM**

30	General Fund--State Appropriation (FY 2010)	\$1,615,751,000
31	General Fund--State Appropriation (FY 2011)	\$1,957,676,000
32	General Fund--Federal Appropriation	\$5,173,326,000
33	General Fund--Private/Local Appropriation	\$12,917,000
34	Emergency Medical Services and Trauma Care Systems	
35	Trust Account--State Appropriation	\$15,076,000
36	Tobacco Prevention and Control Account--	
37	State Appropriation	\$3,766,000

1 TOTAL APPROPRIATION \$8,778,512,000

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

4 (1) Based on quarterly expenditure reports and caseload forecasts,
5 if the department estimates that expenditures for the medical
6 assistance program will exceed the appropriations, the department shall
7 take steps including but not limited to reduction of rates or
8 elimination of optional services to reduce expenditures so that total
9 program costs do not exceed the annual appropriation authority.

10 (2) In determining financial eligibility for medicaid-funded
11 services, the department is authorized to disregard recoveries by
12 Holocaust survivors of insurance proceeds or other assets, as defined
13 in RCW 48.104.030.

14 (3) In accordance with RCW 74.46.625, \$6,000,000 of the general
15 fund--federal appropriation is provided solely for supplemental
16 payments to nursing homes operated by public hospital districts. The
17 public hospital district shall be responsible for providing the
18 required nonfederal match for the supplemental payment, and the
19 payments shall not exceed the maximum allowable under federal rules.
20 It is the legislature's intent that the payments shall be supplemental
21 to and shall not in any way offset or reduce the payments calculated
22 and provided in accordance with part E of chapter 74.46 RCW. It is the
23 legislature's further intent that costs otherwise allowable for rate-
24 setting and settlement against payments under chapter 74.46 RCW shall
25 not be disallowed solely because such costs have been paid by revenues
26 retained by the nursing home from these supplemental payments. The
27 supplemental payments are subject to retrospective interim and final
28 cost settlements based on the nursing homes' as-filed and final
29 medicare cost reports. The timing of the interim and final cost
30 settlements shall be at the department's discretion. During either the
31 interim cost settlement or the final cost settlement, the department
32 shall recoup from the public hospital districts the supplemental
33 payments that exceed the medicaid cost limit and/or the medicare upper
34 payment limit. The department shall apply federal rules for
35 identifying the eligible incurred medicaid costs and the medicare upper
36 payment limit.

37 (4) \$2,402,000 of the general fund--federal appropriation,
38 \$1,201,000 of the general fund--state appropriation for fiscal year

1 2010, and \$1,201,000 of the general fund--state appropriation for
2 fiscal year 2011 are provided solely for grants to rural hospitals.
3 The department shall distribute the funds under a formula that provides
4 a relatively larger share of the available funding to hospitals that
5 (a) serve a disproportionate share of low-income and medically indigent
6 patients, and (b) have relatively smaller net financial margins, to the
7 extent allowed by the federal medicaid program.

8 (5) \$10,546,000 of the general fund--state appropriation for fiscal
9 year 2010, \$10,546,000 of the general fund--state appropriation for
10 fiscal year 2011, and \$19,725,000 of the general fund--federal
11 appropriation are provided solely for grants to nonrural hospitals.
12 The department shall distribute the funds under a formula that provides
13 a relatively larger share of the available funding to hospitals that
14 (a) serve a disproportionate share of low-income and medically indigent
15 patients, and (b) have relatively smaller net financial margins, to the
16 extent allowed by the federal medicaid program.

17 (6) The department shall continue the inpatient hospital certified
18 public expenditures program for the 2009-11 biennium. The program
19 shall apply to all public hospitals, including those owned or operated
20 by the state, except those classified as critical access hospitals or
21 state psychiatric institutions. The department shall submit reports to
22 the governor and legislature by November 1, 2009, and by November 1,
23 2010, that evaluate whether savings continue to exceed costs for this
24 program. If the certified public expenditures (CPE) program in its
25 current form is no longer cost-effective to maintain, the department
26 shall submit a report to the governor and legislature detailing
27 cost-effective alternative uses of local, state, and federal resources
28 as a replacement for this program. During fiscal year 2010 and fiscal
29 year 2011, hospitals in the program shall be paid and shall retain (a)
30 one hundred percent of the federal portion of the allowable hospital
31 cost for each medicaid inpatient fee-for-service claim payable by
32 medical assistance; and (b) one hundred percent of the federal portion
33 of the maximum disproportionate share hospital payment allowable under
34 federal regulations. Inpatient medicaid payments shall be established
35 using an allowable methodology that approximates the cost of claims
36 submitted by the hospitals. Payments made to each hospital in the
37 program in each fiscal year of the biennium shall be compared to a
38 baseline amount. The baseline amount will be determined by the total

1 of (a) the inpatient claim payment amounts that would have been paid
2 during the fiscal year had the hospital not been in the CPE program,
3 and (b) disproportionate share hospital payment amounts paid to and
4 retained by each hospital during fiscal year 2005 that pertain to
5 fiscal year 2005 to the extent the same disproportionate share programs
6 exist in the 2009-2011 fiscal biennium. If payments during the fiscal
7 year exceed the hospital's baseline amount, no additional payments will
8 be made to the hospital except the federal portion of allowable
9 disproportionate share hospital payments for which the hospital can
10 certify allowable match. If payments during the fiscal year are less
11 than the baseline amount, the hospital will be paid a state grant equal
12 to the difference between payments during the fiscal year and the
13 applicable baseline amount. Payment of the state grant shall be made
14 in the applicable fiscal year and distributed in monthly payments. The
15 grants will be recalculated and redistributed as the baseline is
16 updated during the fiscal year. The grant payments are subject to an
17 interim settlement within eleven months after the end of the fiscal
18 year. A final settlement shall be performed. To the extent that
19 either settlement determines that a hospital has received funds in
20 excess of what it would have received as described in this subsection,
21 the hospital must repay the excess amounts to the state when requested.
22 \$36,704,000 of the general fund--state appropriation for fiscal year
23 2010, of which \$6,570,000 is appropriated in section 204(1) of this act
24 and the balance in this section, and \$34,383,000 of the general fund--
25 state appropriation for fiscal year 2011, of which \$1,500,000 is
26 appropriated in section 204(1) of this act and the balance in this
27 section, are provided solely for state grants for the participating
28 hospitals.

29 (7) The department is authorized to use funds appropriated in this
30 section to purchase goods and supplies through direct contracting with
31 vendors when the department determines it is cost-effective to do so.

32 (8) Sufficient amounts are appropriated in this section for the
33 department to continue podiatry services for medicaid-eligible adults.

34 (9) Sufficient amounts are appropriated in this section for the
35 department to provide an adult dental benefit that is at least
36 equivalent to the benefit provided in the 2003-05 biennium.

37 (10) \$93,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$93,000 of the general fund--federal appropriation are

1 provided solely for the department to pursue a federal Medicaid waiver
2 pursuant to Second Substitute Senate Bill No. 5945 (Washington health
3 partnership plan). If the bill is not enacted by June 30, 2009, the
4 amounts provided in this subsection shall lapse.

5 (11) The department shall require managed health care organizations
6 that have contracts with the department to serve medical assistance
7 clients to limit any reimbursements or payments the organizations make
8 to providers not employed by or under contract with the organizations
9 to not more than the medical assistance rates paid by the department to
10 providers for comparable services rendered to clients in the fee-for-
11 service delivery system.

12 (12) Appropriations in this section are sufficient for the
13 department to continue to fund family planning nurses in the community
14 services offices.

15 (13) A maximum of \$160,000,000 of the general fund--state
16 appropriation and \$24,000,000 of the general fund--federal
17 appropriation in this section may be expended in the fiscal biennium
18 for the general assistance-unemployable medical program, and these
19 amounts are provided solely for this program. The department shall
20 prioritize its review of the caseload by evaluating those enrollees who
21 have remained on this caseload for more than 12 months or, pursuant to
22 RCW 74.04.005(6)(g), have not demonstrated that no material improvement
23 in their medical or mental condition has occurred or, pursuant to RCW
24 74.04.005(6)(c), have not accepted all available services that can
25 reasonably be expected to enable the individual to work. If sufficient
26 caseload reductions cannot be achieved through these reviews, the
27 department shall freeze admissions or impose time limits, or both, on
28 the medical program in order to meet these appropriated levels. The
29 department shall submit a report to the governor and legislative fiscal
30 and policy committees by December 1, 2009, on the feasibility and cost-
31 effectiveness of transitioning the general assistance-unemployable
32 program to a statewide managed care program within existing
33 appropriations for fiscal year 2011. Pursuant to RCW 74.09.035, the
34 department shall not expend for the general assistance-unemployable
35 program any amounts in excess of the amounts provided in this
36 subsection.

37 (14) If determined to be feasible within the amounts provided in
38 subsection (13) of this section and without the loss of federal

1 disproportionate share hospital funds, the department may contract with
2 the carrier operating the managed care pilot for general assistance-
3 unemployable clients. Effective July 1, 2009, in addition to serving
4 clients in the pilot counties, the carrier may expand managed care
5 services to clients residing in at least the following counties:
6 Spokane, Yakima, Chelan, Kitsap, and Cowlitz. Total per person costs
7 to the state, including outpatient and inpatient services and any
8 additional costs due to stop loss agreements, shall not exceed the per
9 capita payments projected for the general-assistance unemployable
10 eligibility category, by fiscal year, in the February 2009 medical
11 assistance expenditures forecast. The department, in collaboration
12 with the carrier, shall seek to improve the transition rate of general
13 assistance clients to the federal supplemental security income program.

14 (15) In order to maintain budget neutrality, state funding for
15 caseload growth in the general assistance-expedited program for persons
16 considered presumptively eligible for supplemental security income
17 above four percent per year shall be paid for from funds provided in
18 section 207(4) of this act.

19 (16) The department shall report to the governor and the fiscal
20 committees of the legislature by June 1, 2010, on its progress toward
21 achieving a twenty percent increase in the generic prescription drug
22 utilization rate. If this increase is not achieved by June 1, 2010,
23 the department is directed to cease coverage of medicare part D co-pays
24 as of July 1, 2010, in accordance with RCW 74.09.520(8), in order to
25 achieve the necessary savings.

26 (17) The legislature finds that medical assistance payment rates,
27 as calculated by the department pursuant to the appropriations in this
28 act, bear a reasonable relationship to the costs incurred by
29 efficiently and economically operated facilities for providing quality
30 services and will be sufficient to enlist enough providers so that care
31 and services are available to the extent that such care and services
32 are available to the general population in the geographic area. The
33 legislature finds that hospital medicare cost reports, payment data
34 from the federal government, historical utilization, economic data, and
35 clinical input constitute reliable data upon which to determine the
36 payment rates.

37 (18) State funds shall not be used by hospitals for advertising
38 purposes.

1 (19) The department shall seek a medicaid state plan amendment to
2 create a professional services supplemental payment program for
3 University of Washington medicine professional providers no later than
4 July 1, 2009. The department shall apply federal rules for identifying
5 the shortfall between current fee-for-service medicaid payments to
6 participating providers and the applicable federal upper payment limit.
7 Participating providers shall be solely responsible for providing the
8 local funds required to obtain federal matching funds. Any incremental
9 costs incurred by the department in the development, implementation,
10 and maintenance of this program will be the responsibility of the
11 participating providers. Participating providers will retain the full
12 amount of supplemental payments provided under this program, net of any
13 potential costs for any related audits or litigation brought against
14 the state. The department shall report to the governor and the
15 legislative fiscal committees on the prospects for expansion of the
16 program to other qualifying providers as soon as feasibility is
17 determined but no later than December 31, 2009. The report will
18 outline estimated impacts on the participating providers, the
19 procedures necessary to comply with federal guidelines, and the
20 administrative resource requirements necessary to implement the
21 program.

22 (20) \$9,350,000 of the general fund--state appropriation for fiscal
23 year 2010, \$8,313,000 of the general fund--state appropriation for
24 fiscal year 2011, and \$20,371,000 of the general fund--federal
25 appropriation are provided solely for development and implementation of
26 a replacement system for the existing medicaid management information
27 system. The amounts provided in this subsection are conditioned on the
28 department satisfying the requirements of section 902 of this act.

29 (21) \$506,000 of the general fund--state appropriation for fiscal
30 year 2011 and \$657,000 of the general fund--federal appropriation are
31 provided solely for the implementation of Second Substitute House Bill
32 No. 1373 (children's mental health). If the bill is not enacted by
33 June 30, 2009, the amounts provided in this subsection shall lapse.

34 (22) Pursuant to 42 U.S.C. Sec. 1396(a)(25), the department shall
35 pursue insurance claims on behalf of medicaid children served through
36 its in-home medically intensive child program under WAC 388-551-3000.
37 The department shall report to the Legislature by December 31, 2009, on
38 the results of its efforts to recover such claims.

1 (23) The department will pursue a competitive procurement process
2 for antihemophilic products, emphasizing evidence-based medicine and
3 protection of patient access without significant disruption in
4 treatment.

5 (24) The department will pursue several strategies towards reducing
6 pharmacy expenditures including but not limited to increasing generic
7 prescription drug utilization by 20 percent and promoting increased
8 utilization of the existing mail-order pharmacy program.

9 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
10 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

11	General Fund--State Appropriation (FY 2010)	\$10,851,000
12	General Fund--State Appropriation (FY 2011)	\$10,430,000
13	General Fund--Federal Appropriation	\$83,553,000
14	Telecommunications Devices for the Hearing and	
15	Speech Impaired--State Appropriation	\$1,981,000
16	TOTAL APPROPRIATION	\$106,815,000

17 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
18 **SERVICES--SPECIAL COMMITMENT PROGRAM**

19	General Fund--State Appropriation (FY 2010)	\$54,389,000
20	General Fund--State Appropriation (FY 2011)	\$57,490,000
21	TOTAL APPROPRIATION	\$111,879,000

22 The appropriations in this section are subject to the following
23 conditions and limitations: \$4,153,000 of the general fund--state
24 appropriation for fiscal year 2011 is provided solely for the
25 department to assume operations of McNeil island upon the closure of
26 the McNeil island corrections center by the department of corrections.
27 These operations include providing security at the Steilacoom dock,
28 operation of the wastewater treatment plant, staffing the fire
29 department, and transportation of staff and visitors on McNeil island
30 but does not include marine transport operations, the provision of
31 which the department shall contract with Pierce county or a private
32 vendor consistent with the provisions of RCW 41.06.142(3).

33 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
34 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

35	General Fund--State Appropriation (FY 2010)	\$35,997,000
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1	General Fund--State Appropriation (FY 2011)	\$35,680,000
2	General Fund--Federal Appropriation	\$55,902,000
3	General Fund--Private/Local Appropriation	\$1,526,000
4	TOTAL APPROPRIATION	\$129,105,000

5 The appropriations in this section are subject to the following
6 conditions and limitations: In addition to other reductions, the
7 appropriations in this section reflect reductions targeted specifically
8 to state government administrative costs. These administrative
9 reductions shall be achieved, to the greatest extent possible, by
10 reducing those administrative costs that do not affect direct client
11 services or direct service delivery or programs.

12 NEW SECTION. **Sec. 213. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
13 **SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

14	General Fund--State Appropriation (FY 2010)	\$56,598,000
15	General Fund--State Appropriation (FY 2011)	\$56,635,000
16	General Fund--Federal Appropriation	\$53,356,000
17	TOTAL APPROPRIATION	\$166,589,000

18 NEW SECTION. **Sec. 214. FOR THE STATE HEALTH CARE AUTHORITY**

19	General Fund--State Appropriation (FY 2010)	\$23,263,000
20	General Fund--State Appropriation (FY 2011)	\$181,644,000
21	General Fund--Federal Appropriation	\$188,596,000
22	State Health Care Authority Administration Account--	
23	State Appropriation	\$32,635,000
24	Medical Aid Account--State Appropriation	\$531,000
25	TOTAL APPROPRIATION	\$426,669,000

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

28 (1) Within amounts appropriated in this section and sections 205
29 and 206 of this act, the health care authority shall continue to
30 provide an enhanced basic health plan subsidy for foster parents
31 licensed under chapter 74.15 RCW and workers in state-funded home care
32 programs. Under this enhanced subsidy option, foster parents eligible
33 to participate in the basic health plan as subsidized enrollees and
34 home care workers with family incomes below 200 percent of the federal
35 poverty level shall be allowed to enroll in the basic health plan at

1 the minimum premium amount charged to enrollees with incomes below
2 sixty-five percent of the federal poverty level.

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

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

26 (4) In order to maximize funding appropriated for the basic health
27 plan, the authority is directed to terminate enrollment of individuals
28 concurrently enrolled in a department of social and health services
29 medical assistance program and, in collaboration with the department,
30 transition individuals eligible for medical assistance to the
31 appropriate program within the department. Additionally, the authority
32 may adopt policies to allow disenrollment based on income eligibility
33 not lower than the federal poverty level.

34 (5) \$735,000 of the health care authority administrative account--
35 state appropriation is provided solely to implement Second Substitute
36 Senate Bill No. 5491 (developing a strategy for K-12 health benefits).
37 If the bill is not enacted by June 30, 2009, the amount provided in
38 this subsection shall lapse.

1 NEW SECTION. **Sec. 215. FOR THE HUMAN RIGHTS COMMISSION**

2	General Fund--State Appropriation (FY 2010)	\$3,168,000
3	General Fund--State Appropriation (FY 2011)	\$3,171,000
4	General Fund--Federal Appropriation	\$1,336,000
5	TOTAL APPROPRIATION	\$7,675,000

6 NEW SECTION. **Sec. 216. FOR THE BOARD OF INDUSTRIAL INSURANCE**

7 **APPEALS**

8	Worker and Community Right-to-Know Account--	
9	State Appropriation	\$20,000
10	Accident Account--State Appropriation	\$18,671,000
11	Medical Aid Account--State Appropriation	\$18,671,000
12	TOTAL APPROPRIATION	\$37,362,000

13 NEW SECTION. **Sec. 217. FOR THE CRIMINAL JUSTICE TRAINING**

14 **COMMISSION**

15	General Fund--State Appropriation (FY 2010)	\$16,340,000
16	General Fund--State Appropriation (FY 2011)	\$16,398,000
17	General Fund--Private/Local Appropriation	\$200,000
18	Death Investigations Account--State Appropriation	\$148,000
19	Municipal Criminal Justice Assistance Account--	
20	State Appropriation	\$460,000
21	Washington Auto Theft Prevention Authority Account--	
22	State Appropriation	\$9,844,000
23	TOTAL APPROPRIATION	\$43,390,000

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

26 (1) \$1,874,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$1,922,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for 10 additional basic law
29 enforcement academies in fiscal year 2010 and 10 additional basic law
30 enforcement academies in fiscal year 2011.

31 (2) \$1,191,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$1,191,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for the Washington association of
34 sheriffs and police chiefs to continue to develop, maintain, and
35 operate the jail booking and reporting system (JBRS) and the statewide
36 automated victim information and notification system (SAVIN).

1 (3) \$2,500,000 of the general fund--state appropriation for fiscal
2 year 2010, \$2,500,000 of the general fund--state appropriation for
3 fiscal year 2011, and \$2,000,000 of the Washington auto theft
4 prevention authority account--state appropriation are provided to the
5 Washington association of sheriffs and police chiefs solely to verify
6 the address and residency of registered sex offenders and kidnapping
7 offenders under RCW 9A.44.130. The Washington association of sheriffs
8 and police chiefs shall:

9 (a) Enter into performance-based agreements with units of local
10 government to ensure that registered offender address and residency are
11 verified;

12 (b) Collect performance data from all participating jurisdictions
13 sufficient to evaluate the efficiency and effectiveness of the address
14 and residency verification program; and

15 (c) Submit a report on the effectiveness of the address and
16 residency verification program to the governor and the appropriate
17 committees of the house of representatives and senate by December 31,
18 each year.

19 The Washington association of sheriffs and police chiefs may retain up
20 to three percent of the amount provided in this subsection for the cost
21 of administration. Any funds not disbursed for address and residency
22 verification or retained for administration may be allocated to local
23 prosecutors for the prosecution costs associated with failing-to-
24 register offenses.

25 NEW SECTION. **Sec. 218.** **FOR THE DEPARTMENT OF LABOR AND**
26 **INDUSTRIES**

27	General Fund--State Appropriation (FY 2010)	\$24,414,000
28	General Fund--State Appropriation (FY 2011)	\$25,389,000
29	General Fund--Federal Appropriation	\$100,000
30	Public Safety and Education Account--Federal	
31	Appropriation	\$10,000,000
32	Asbestos Account--State Appropriation	\$891,000
33	Electrical License Account--State Appropriation	\$42,256,000
34	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
35	Worker and Community Right-to-Know Account--	
36	State Appropriation	\$1,997,000
37	Public Works Administration Account--State Appropriation . .	\$5,800,000

1 nonparticipants, confirm implementation technology changes, and provide
2 other implementation assistance as determined by the department.

3 (5) \$194,000 of the accident account--state appropriation and
4 \$192,000 of the medical aid account--state appropriation are provided
5 solely for implementation of Senate Bill No. 5346 (health care
6 administrative procedures). If the bill is not enacted by June 30,
7 2009, the amounts provided in this subsection shall lapse.

8 (6) \$84,000 of the accident account--state appropriation and
9 \$82,000 of the medical aid account--state appropriation are provided
10 solely for implementation of Senate Bill No. 5613 (stop work orders).
11 If the bill is not enacted by June 30, 2009, the amounts provided in
12 this subsection shall lapse.

13 (7) \$68,000 of the accident account--state appropriation and
14 \$68,000 of the medical aid account--state appropriation are provided
15 solely for implementation of Senate Bill No. 5688 (registered domestic
16 partners). If the bill is not enacted by June 30, 2009, the amounts
17 provided in this subsection shall lapse.

18 (8) \$320,000 of the accident account--state appropriation and
19 \$147,000 of the medical aid account--state appropriation are provided
20 solely for implementation of Senate Bill No. 5873 (apprenticeship
21 utilization). If the bill is not enacted by June 30, 2009, the amounts
22 provided in this subsection shall lapse.

23 (9) \$337,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$183,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for implementation of Senate Bill
26 No. 5895 (residential real property). If the bill is not enacted by
27 June 30, 2009, the amounts provided in this subsection shall lapse.

28 (10) \$394,000 of the accident account--state appropriation and
29 \$394,000 of the medical aid account--state appropriation are provided
30 solely for implementation of Senate Bill No. 6035 (retrospective rating
31 plans). If the bill is not enacted by June 30, 2009, the amounts
32 provided in this subsection shall lapse.

33 NEW SECTION. **Sec. 219. FOR THE INDETERMINATE SENTENCE REVIEW**
34 **BOARD**

35	General Fund--State Appropriation (FY 2010)	\$1,963,000
36	General Fund--State Appropriation (FY 2011)	\$1,963,000
37	TOTAL APPROPRIATION	\$3,926,000

1 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

2 (1) HEADQUARTERS

3 General Fund--State Appropriation (FY 2010) \$1,946,000
4 General Fund--State Appropriation (FY 2011) \$1,927,000
5 Charitable, Educational, Penal, and Reformatory
6 Institutions Account--State Appropriation \$10,000
7 TOTAL APPROPRIATION \$3,883,000

8 The appropriations in this subsection are subject to the following
9 conditions and limitations: In addition to other reductions, the
10 appropriations in this section reflect reductions targeted specifically
11 to state government administrative costs. These administrative
12 reductions shall be achieved, to the greatest extent possible, by
13 reducing those administrative costs that do not affect direct client
14 services or direct service delivery or programs.

15 (2) FIELD SERVICES

16 General Fund--State Appropriation (FY 2010) \$5,008,000
17 General Fund--State Appropriation (FY 2011) \$5,058,000
18 General Fund--Federal Appropriation \$1,842,000
19 General Fund--Private/Local Appropriation \$3,513,000
20 Veterans Innovations Program Account Appropriation \$150,000
21 Veteran Estate Management Account--Private/Local
22 Appropriation \$1,080,000
23 TOTAL APPROPRIATION \$16,651,000

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

26 (a) \$125,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$125,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for the veterans innovation
29 program.

30 (b) In addition to other reductions, the appropriations in this
31 section reflect reductions targeted specifically to state government
32 administrative costs. These administrative reductions shall be
33 achieved, to the greatest extent possible, by reducing those
34 administrative costs that do not affect direct client services or
35 direct service delivery or programs.

36 (3) INSTITUTIONAL SERVICES

37 General Fund--State Appropriation (FY 2010) \$3,691,000

1	General Fund--State Appropriation (FY 2011)	\$2,872,000
2	General Fund--Federal Appropriation	\$51,237,000
3	General Fund--Private/Local Appropriation	\$32,073,000
4	TOTAL APPROPRIATION	\$89,873,000

5 The appropriations in this subsection are subject to the following
6 conditions and limitations: In addition to other reductions, the
7 appropriations in this section reflect reductions targeted specifically
8 to state government administrative costs. These administrative
9 reductions shall be achieved, to the greatest extent possible, by
10 reducing those administrative costs that do not affect direct client
11 services or direct service delivery or programs.

12 NEW SECTION. **Sec. 221. FOR THE HOME CARE QUALITY AUTHORITY**

13	General Fund--State Appropriation (FY 2010)	\$1,487,000
14	General Fund--State Appropriation (FY 2011)	\$1,480,000
15	TOTAL APPROPRIATION	\$2,967,000

16 NEW SECTION. **Sec. 222. FOR THE DEPARTMENT OF HEALTH**

17	General Fund--State Appropriation (FY 2010)	\$116,934,000
18	General Fund--State Appropriation (FY 2011)	\$96,844,000
19	General Fund--Federal Appropriation	\$482,063,000
20	General Fund--Private/Local Appropriation	\$139,332,000
21	Hospital Data Collection Account--State Appropriation	\$339,000
22	Health Professions Account--State Appropriation	\$77,505,000
23	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
24	Emergency Medical Services and Trauma Care Systems	
25	Trust Account--State Appropriation	\$13,534,000
26	Safe Drinking Water Account--State Appropriation	\$2,748,000
27	Drinking Water Assistance Account--Federal	
28	Appropriation	\$21,637,000
29	Waterworks Operator Certification--State Appropriation	\$1,528,000
30	Drinking Water Assistance Administrative Account--	
31	State Appropriation	\$326,000
32	State Toxics Control Account--State Appropriation	\$3,638,000
33	Medical Test Site Licensure Account--State Appropriation	\$2,132,000
34	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
35	Public Health Supplemental Account--Private/Local	
36	Appropriation	\$3,529,000
37	Accident Account--State Appropriation	\$298,000

1	Medical Aid Account--State Appropriation	\$48,000
2	Tobacco Prevention and Control Account--	
3	State Appropriation	\$35,920,000
4	Biotoxin Account--State Appropriation	\$1,165,000
5	TOTAL APPROPRIATION	\$1,001,636,000

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

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

29 (2) Within the amounts appropriated in this section, the department
30 of health shall continue operations of the pesticide incident report
31 and tracking review panel.

32 (3) \$764,000 of the health professions account--state appropriation
33 is provided solely for the medical quality assurance commission to
34 maintain disciplinary staff and associated costs sufficient to reduce
35 the backlog of disciplinary cases and to continue to manage the
36 disciplinary caseload of the commission.

37 (4) \$58,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$57,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the midwifery licensure and
2 regulatory program to offset a reduction in revenue from fees. There
3 shall be no change to the current annual fees for new or renewed
4 licenses for the midwifery program. The department shall convene the
5 midwifery advisory committee on a quarterly basis to address issues
6 related to licensed midwifery.

7 (5) Beginning July 1, 2010, the department, in collaboration with
8 the department of social and health services, shall maximize the use of
9 existing federal funds, including section 317 of the federal public
10 health services act direct assistance as well as federal funds that may
11 become available under the American recovery and reinvestment act, in
12 order to continue to provide immunizations for low-income, nonmedicaid
13 eligible children up to three hundred percent of the federal poverty
14 level in state-sponsored health programs.

15 NEW SECTION. **Sec. 223. FOR THE DEPARTMENT OF CORRECTIONS**

16 (1) ADMINISTRATION AND SUPPORT SERVICES

17 General Fund--State Appropriation (FY 2010) \$56,321,000
18 General Fund--State Appropriation (FY 2011) \$57,004,000
19 TOTAL APPROPRIATION \$113,325,000

20 The appropriations in this subsection are subject to the following
21 conditions and limitations: Within funds appropriated in this section,
22 the department shall seek contracts for chemical dependency vendors to
23 provide chemical dependency treatment of offenders in corrections
24 facilities, including corrections centers and community supervision
25 facilities, which have demonstrated effectiveness in treatment of
26 offenders and are able to provide data to show a successful treatment
27 rate.

28 (2) CORRECTIONAL OPERATIONS

29 General Fund--State Appropriation (FY 2010) \$639,110,000
30 General Fund--State Appropriation (FY 2011) \$625,643,000
31 General Fund--Federal Appropriation \$2,698,000
32 General Fund--Private/Local Appropriation \$6,400,000
33 Washington Auto Theft Prevention Authority Account--
34 State Appropriation \$5,960,000
35 TOTAL APPROPRIATION \$1,229,811,000

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

3 (a) The department may expend funds generated by contractual
4 agreements entered into for mitigation of severe overcrowding in local
5 jails. Any funds generated in excess of actual costs shall be
6 deposited in the state general fund. Expenditures shall not exceed
7 revenue generated by such agreements and shall be treated as a recovery
8 of costs.

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

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

17 (d) During the 2009-11 biennium, when contracts are established or
18 renewed for offender pay phone and other telephone services provided to
19 inmates, the department shall select the contractor or contractors
20 primarily based on the following factors: (i) The lowest rate charged
21 to both the inmate and the person paying for the telephone call; and
22 (ii) the lowest commission rates paid to the department, while
23 providing reasonable compensation to cover the costs of the department
24 to provide the telephone services to inmates and provide sufficient
25 revenues for the activities funded from the institutional welfare
26 betterment account.

27 (e) The Harborview medical center shall provide inpatient and
28 outpatient hospital services to offenders confined in department of
29 corrections facilities at a rate no greater than the average rate that
30 the department has negotiated with other community hospitals in
31 Washington state.

32 (f) The amounts provided in this section include funding for the
33 operation of the McNeil island corrections center, including the
34 closure of the corrections center effective July 1, 2010.

35 (g) The appropriations in this subsection are based upon savings
36 assumed from the implementation of the following bills: Substitute
37 House Bill No. 2188 (illegal alien offenders), Engrossed Substitute
38 Senate Bill No. 5225 (crimes against property), Senate Bill No. 5525

1 (state institutions/release), Substitute Senate Bill No. 5987
2 (corrections department personnel), Senate Bill No. 5292 (persistent
3 offenders), and Senate Bill No. . . . (S-2444) (changes to the
4 sentencing grid).

5 (h) A political subdivision which is applying for funding to
6 mitigate one-time impacts associated with construction or expansion of
7 a correctional institution, consistent with WAC 137-12A-030, may apply
8 for the mitigation funds in the fiscal biennium in which the impacts
9 occur or in the immediately succeeding fiscal biennium.

10 (3) COMMUNITY SUPERVISION

11	General Fund--State Appropriation (FY 2010)	\$157,635,000
12	General Fund--State Appropriation (FY 2011)	\$151,930,000
13	General Fund--Federal Appropriation	\$750,000
14	TOTAL APPROPRIATION	\$310,315,000

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

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

22 (b) \$3,460,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$3,356,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely to implement Senate Bill No. 5525
25 (state institutions/release). If the bill is not enacted by June 30,
26 2009, the amounts provided in this subsection shall lapse.

27 (c) \$249,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$329,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely to implement Senate Bill No. 5292
30 (persistent offenders). If the bill is not enacted by June 30, 2009,
31 the amounts provided in this subsection shall lapse.

32 (d) \$375,000 of the general fund--state appropriation for fiscal
33 year 2010 is provided solely as a matching amount of state funds for a
34 federal second chance act grant and is contingent upon receipt of
35 \$750,000 of federal funding under the second chance act.

36 (e) The appropriations in this subsection are based upon savings
37 assumed from the implementation of Engrossed Substitute Senate Bill No.
38 5288 (supervision of offenders).

1 (4) CORRECTIONAL INDUSTRIES
 2 General Fund--State Appropriation (FY 2010) \$2,583,000
 3 General Fund--State Appropriation (FY 2011) \$2,572,000
 4 TOTAL APPROPRIATION \$5,155,000

5 (5) INTERAGENCY PAYMENTS
 6 General Fund--State Appropriation (FY 2010) \$40,455,000
 7 General Fund--State Appropriation (FY 2011) \$40,777,000
 8 TOTAL APPROPRIATION \$81,232,000

9 NEW SECTION. **Sec. 224. FOR THE DEPARTMENT OF SERVICES FOR THE**
 10 **BLIND**

11 General Fund--State Appropriation (FY 2010) \$2,548,000
 12 General Fund--State Appropriation (FY 2011) \$2,564,000
 13 General Fund--Federal Appropriation \$18,673,000
 14 General Fund--Private/Local Appropriation \$20,000
 15 TOTAL APPROPRIATION \$23,805,000

16 NEW SECTION. **Sec. 225. FOR THE SENTENCING GUIDELINES COMMISSION**

17 General Fund--State Appropriation (FY 2010) \$960,000
 18 General Fund--State Appropriation (FY 2011) \$960,000
 19 TOTAL APPROPRIATION \$1,920,000

20 NEW SECTION. **Sec. 226. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

21 General Fund--State Appropriation (FY 2010) \$57,000
 22 General Fund--State Appropriation (FY 2011) \$57,000
 23 General Fund--Federal Appropriation \$316,986,000
 24 General Fund--Private/Local Appropriation \$33,836,000
 25 Unemployment Compensation Administration
 26 Account--Federal Appropriation \$327,264,000
 27 Administrative Contingency Account--State
 28 Appropriation \$12,742,000
 29 Employment Service Administrative Account--
 30 State Appropriation \$30,828,000
 31 TOTAL APPROPRIATION \$721,770,000

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

1 (1) \$41,662,000 of the unemployment compensation administration
2 account--federal appropriation is provided from amounts made available
3 to the state by section 903(d) of the social security act (Reed act).
4 This amount is authorized to continue current unemployment insurance
5 functions and department services to employers and job seekers.

6 (2) \$32,067,000 of the unemployment compensation administration
7 account--federal appropriation is provided from amounts made available
8 to the state by section 903(d) of the social security act (Reed act).
9 This amount is authorized to fund the replacement of the unemployment
10 insurance tax information system (TAXIS) for the employment security
11 department.

12 (3) \$110,000 of the unemployment compensation administration
13 account--federal appropriation is provided solely for implementation of
14 Senate Bill No. 5804 (leaving part time work voluntarily). If the bill
15 is not enacted by June 30, 2009, the amounts provided in this
16 subsection shall lapse.

17 (4) \$1,099,000 of the unemployment compensation administration
18 account--federal appropriation is provided solely for implementation of
19 Senate Bill No. 5963 (unemployment insurance). If the bill is not
20 enacted by June 30, 2009, the amounts provided in this subsection shall
21 lapse.

(End of part)

PART III
NATURAL RESOURCES

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

General Fund--State Appropriation (FY 2010)	\$476,000
General Fund--State Appropriation (FY 2011)	\$478,000
General Fund--Federal Appropriation	\$30,000
General Fund--Private/Local Appropriation	\$1,074,000
TOTAL APPROPRIATION	\$2,058,000

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

General Fund--State Appropriation (FY 2010)	\$62,290,000
General Fund--State Appropriation (FY 2011)	\$60,159,000
General Fund--Federal Appropriation	\$82,979,000
General Fund--Private/Local Appropriation	\$16,709,000
Special Grass Seed Burning Research Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	\$3,718,000
Flood Control Assistance Account--State Appropriation	\$1,984,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$14,675,000
State Drought Preparedness Account--State Appropriation	\$118,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$432,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$365,000
Water Rights Tracking System Account--State Appropriation	\$116,000
Site Closure Account--State Appropriation	\$706,000
Wood Stove Education and Enforcement Account-- State Appropriation	\$615,000
Worker and Community Right-to-Know Account-- State Appropriation	\$1,697,000
State Toxics Control Account--State Appropriation	\$102,296,000
State Toxics Control Account--Private/Local	

1	Appropriation	\$387,000
2	Local Toxics Control Account--State Appropriation	\$24,815,000
3	Water Quality Permit Account--State Appropriation	\$38,272,000
4	Underground Storage Tank Account--State	
5	Appropriation	\$3,352,000
6	Biosolids Permit Account--State Appropriation	\$1,426,000
7	Hazardous Waste Assistance Account--State	
8	Appropriation	\$6,029,000
9	Air Pollution Control Account--State Appropriation	\$2,865,000
10	Oil Spill Prevention Account--State Appropriation	\$10,826,000
11	Air Operating Permit Account--State Appropriation	\$2,837,000
12	Freshwater Aquatic Weeds Account--State	
13	Appropriation	\$1,703,000
14	Oil Spill Response Account--State Appropriation	\$7,078,000
15	Metals Mining Account--State Appropriation	\$14,000
16	Water Pollution Control Revolving Account--State	
17	Appropriation	\$474,000
18	Water Pollution Control Revolving Account--Federal	
19	Appropriation	\$1,966,000
20	Emissions Reduction Assistance Account--State	
21	Appropriation	\$49,000
22	Saltwater Algae Control Account--State Appropriation	\$144,000
23	TOTAL APPROPRIATION	\$451,110,000

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

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

31 (2) \$240,000 of the woodstove education and enforcement account--
32 state appropriation is provided solely for citizen outreach efforts to
33 improve understanding of burn curtailments, the proper use of wood
34 heating devices, and public awareness of the adverse health effects of
35 woodsmoke pollution.

36 (3) \$3,000,000 of the general fund--private/local appropriation is
37 provided solely for contracted toxic-site cleanup actions at sites
38 where multiple potentially liable parties agree to provide funding.

1 (4) \$3,600,000 of the local toxics account--state appropriation is
2 provided solely for the standby emergency rescue tug stationed at Neah
3 Bay.

4 (5) \$811,000 of the state toxics account--state appropriation is
5 provided solely for oversight of toxic cleanup at facilities that
6 treat, store, and dispose of hazardous wastes.

7 (6) \$1,456,000 of the state toxics account--state appropriation is
8 provided solely for toxic cleanup at sites where willing parties
9 negotiate prepayment agreements with the department and provide
10 necessary funding.

11 (7) \$558,000 of the state toxics account--state appropriation and
12 \$3,000,000 of the local toxics account--state appropriation are
13 provided solely for grants and technical assistance to Puget Sound-area
14 local governments engaged in updating shoreline master programs.

15 (8) \$950,000 of the state toxics control account--state
16 appropriation is provided solely for measuring water and habitat
17 quality to determine watershed health and assist salmon recovery,
18 beginning in fiscal year 2011.

19 (9) RCW 70.105.280 authorizes the department to assess reasonable
20 service charges against those facilities that store, treat, incinerate,
21 or dispose of dangerous or extremely hazardous waste that involves both
22 a nonradioactive hazardous component and a radioactive component.
23 Service charges may not exceed the costs to the department in carrying
24 out the duties in RCW 70.105.280. The current service charges do not
25 meet the costs of the department to carry out its duties. Pursuant to
26 RCW 43.135.055 and 70.105.280, the department is authorized to increase
27 the service charges no greater than 18 percent for fiscal year 2010 and
28 no greater than 15 percent for fiscal year 2011. Such service charges
29 shall include all costs of public participation grants awarded to
30 qualified entities by the department pursuant to RCW 70.105D.070(5) for
31 facilities at which such grants are recognized as a component of a
32 community relations or public participation plan authorized or required
33 as an element of a consent order, federal facility agreement or agreed
34 order entered into or issued by the department pursuant to any federal
35 or state law governing investigation and remediation of releases of
36 hazardous substances. Public participation grants funded by such
37 service charges shall be in addition to, and not in place of, any other
38 grants made pursuant to RCW 70.105D.070(5).

1 (10) The department is authorized to increase the following fees in
2 the 2009-2011 biennium as necessary to meet the actual costs of
3 conducting business and the appropriation levels in this section:
4 Environmental lab accreditation, dam safety and inspection, biosolids
5 permitting, air emissions new source review, and manufacturer
6 registration and renewal.

7 (11) \$813,000 of the air pollution control account--state
8 appropriation and \$49,000 of the emissions reduction account--state
9 appropriation are provided solely for implementation of Engrossed
10 Second Substitute Senate Bill No. 5735 (reducing greenhouse gas
11 emissions). If the bill is not enacted by June 30, 2009, the amounts
12 provided in this subsection shall lapse.

13 (12) \$144,000 of the saltwater algae control account--state
14 appropriation is provided solely for implementation of Senate Bill No.
15 5412 (saltwater algae control). If the bill is not enacted by June 30,
16 2009, the amount provided in this subsection shall lapse.

17 (13) \$194,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$182,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for implementation of Engrossed
20 Second Substitute Bill No. 5138 (climate change response). If the bill
21 is not enacted by June 30, 2009, the amounts provided in this
22 subsection shall lapse.

23 (14) \$63,000 of the state toxics control account--state
24 appropriation is provided solely for implementation of Substitute
25 Senate Bill No. 5797 (solid waste handling permit). If the bill is not
26 enacted by June 30, 2009, the amount provided in this subsection shall
27 lapse.

28 (15) \$31,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$11,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for implementation of Engrossed
31 Second Substitute Bill No. 5560 (agency climate leadership). If the
32 bill is not enacted by June 30, 2009, the amounts provided in this
33 subsection shall lapse.

34 (16)(a) The department shall convene a stock water working group
35 that includes: Legislators, four members representing agricultural
36 interests, three members representing environmental interests, the
37 attorney general or designee, the director of the department of ecology

1 or designee, the director of the department of agriculture or designee,
2 and affected federally recognized tribes shall be invited to send
3 participants.

4 (b) The group shall review issues surrounding the use of permit-
5 exempt wells for stock-watering purposes and may develop
6 recommendations for legislative action.

7 (c) The working group shall meet periodically and report its
8 activities and recommendations to the governor and the appropriate
9 legislative committees by December 1, 2009.

10 (17) Within amounts appropriated in this section, the department
11 shall develop recommendations by December 1, 2009, for a convenient and
12 effective mercury-containing light recycling program for residents,
13 small businesses, and small school districts throughout the state. The
14 department shall consider options including but not limited to a
15 producer-funded program, a recycler-supported or recycle fee program,
16 a consumer fee at the time of purchase, general fund appropriations, or
17 a currently existing dedicated account. The department shall involve
18 and consult with stakeholders including persons who represent
19 retailers, waste haulers, recyclers, mercury-containing light
20 manufacturers or wholesalers, cities, counties, environmental
21 organizations, and other interested parties. The department shall
22 report its findings and recommendations for a recycling program for
23 mercury-containing lights to the appropriate committees of the
24 legislature by December 1, 2009.

25 (18) \$200,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$200,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for the purpose of supporting the
28 trust water rights program and processing trust water right transfer
29 applications that improve instream flow.

30 (19) \$150,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$150,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided for the purpose of providing pass through
33 funding to the department of fish and wildlife for its work to develop
34 science in support of instream flow setting and instream flow planning.

35 (20) \$22,000 of the state toxics control account--state
36 appropriation is provided solely for the implementation of Engrossed
37 Substitute Senate Bill No. 5282 (Bisphenol A). If the bill is not

1 enacted by June 30, 2009, the amount provided in this subsection shall
2 lapse.

3 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
4 **COMMISSION**

5	General Fund--State Appropriation (FY 2010)	\$26,746,000
6	General Fund--State Appropriation (FY 2011)	\$25,989,000
7	General Fund--Federal Appropriation	\$5,927,000
8	General Fund--Private/Local Appropriation	\$73,000
9	Winter Recreation Program Account--State	
10	Appropriation	\$1,561,000
11	Off-Road Vehicle Account--State Appropriation	\$240,000
12	Snowmobile Account--State Appropriation	\$4,845,000
13	Aquatic Lands Enhancement Account--State Appropriation	\$369,000
14	Parks Renewal and Stewardship Account--State	
15	Appropriation	\$71,840,000
16	Parks Renewal and Stewardship Account--	
17	Private/Local Appropriation	\$300,000
18	Recreation Resources Account--State Appropriation	\$9,802,000
19	NOVA Program Account--State Appropriation	\$9,560,000
20	TOTAL APPROPRIATION	\$157,252,000

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

23 (1) \$79,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$79,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for a grant for the operation of
26 the Northwest avalanche center.

27 (2) Proceeds received from voluntary donations given by motor
28 vehicle registration applicants shall be used solely for the operation
29 and maintenance of state parks.

30 (3) The commission shall actively pursue transferring ownership of
31 state parks to local governments, tribes, or other entities that have
32 expressed an interest in operating the park. The commission shall
33 provide biannual updates of this effort to the office of financial
34 management and the appropriate fiscal committees of the legislature.
35 The first report shall be submitted no later than December 1, 2009.

1 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**

2 **FUNDING BOARD**

3	General Fund--State Appropriation (FY 2010)	\$1,602,000
4	General Fund--State Appropriation (FY 2011)	\$1,649,000
5	General Fund--Federal Appropriation	\$10,431,000
6	General Fund--Private/Local Appropriation	\$250,000
7	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
8	Firearms Range Account--State Appropriation	\$39,000
9	Recreation Resources Account--State Appropriation	\$2,851,000
10	NOVA Program Account--State Appropriation	\$1,062,000
11	TOTAL APPROPRIATION	\$18,162,000

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

14 (1) The recreation and conservation office, under the direction of
15 the salmon recovery funding board, shall assess watershed and regional-
16 scale capacity issues relating to the support and implementation of
17 salmon recovery. The assessment shall examine priority setting and
18 incentives to further promote coordination to ensure that effective and
19 efficient mechanisms for delivery of salmon recovery funding board
20 funds are being utilized. The salmon recovery funding board shall
21 distribute its operational funding to the appropriate entities based on
22 this assessment.

23 (2) \$204,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$244,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for the implementation of
26 Substitute House Bill No. 2157 (salmon recovery). If the bill is not
27 enacted by June 30, 2009, the amounts provided in this subsection shall
28 lapse.

29 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE**

30	General Fund--State Appropriation (FY 2010)	\$1,094,000
31	General Fund--State Appropriation (FY 2011)	\$1,086,000
32	TOTAL APPROPRIATION	\$2,180,000

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

34	General Fund--State Appropriation (FY 2010)	\$7,719,000
35	General Fund--State Appropriation (FY 2011)	\$7,727,000
36	General Fund--Federal Appropriation	\$1,179,000

1	TOTAL APPROPRIATION	\$16,625,000
2	<u>NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE</u>	
3	General Fund--State Appropriation (FY 2010)	\$44,222,000
4	General Fund--State Appropriation (FY 2011)	\$42,723,000
5	General Fund--Federal Appropriation	\$86,829,000
6	General Fund--Private/Local Appropriation	\$47,766,000
7	Off-Road Vehicle Account--State Appropriation	\$419,000
8	Aquatic Lands Enhancement Account--State	
9	Appropriation	\$6,792,000
10	Recreational Fisheries Enhancement--State	
11	Appropriation	\$3,657,000
12	Warm Water Game Fish Account--State Appropriation	\$2,896,000
13	Eastern Washington Pheasant Enhancement Account--	
14	State Appropriation	\$857,000
15	Aquatic Invasive Species Enforcement Account--	
16	State Appropriation	\$206,000
17	Aquatic Invasive Species Prevention Account--	
18	State Appropriation	\$845,000
19	Wildlife Account--State Appropriation	\$65,674,000
20	Game Special Wildlife Account--State Appropriation	\$2,391,000
21	Game Special Wildlife Account--Federal Appropriation	\$8,930,000
22	Game Special Wildlife Account--Private/Local	
23	Appropriation	\$487,000
24	Wildlife Rehabilitation Account--State Appropriation	\$270,000
25	Regional Fisheries Salmonid Recovery Account--	
26	Federal Appropriation	\$5,001,000
27	Oil Spill Prevention Account--State Appropriation	\$892,000
28	Oyster Reserve Land Account--State Appropriation	\$918,000
29	TOTAL APPROPRIATION	\$321,775,000

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

32 (1) \$294,000 of the aquatic lands enhancement account--state
33 appropriation is provided solely for the implementation of hatchery
34 reform recommendations defined by the hatchery scientific review group.

35 (2) \$400,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$400,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a state match to support the
2 Puget Sound nearshore partnership between the department and the U.S.
3 army corps of engineers.

4 (3) \$536,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$603,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the department to implement a
7 pilot project with the Confederated Tribes of the Colville Reservation
8 to develop expanded recreational fishing opportunities on Lake Rufus
9 Woods and its northern shoreline and to conduct joint enforcement of
10 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
11 state and tribal intergovernmental agreements developed under the
12 Columbia River water supply program. For the purposes of the pilot
13 project:

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

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

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

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

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

30 (4) Prior to submitting its 2011-2013 biennial operating and
31 capital budget request related to state fish hatcheries to the office
32 of financial management, the department shall contract with the
33 hatchery scientific review group (HSRG) to review this request. This
34 review shall: (a) Determine if the proposed requests are consistent
35 with HSRG recommendations; (b) prioritize the components of the
36 requests based on their contributions to protecting wild salmonid
37 stocks and meeting the recommendations of the HSRG; and (c) evaluate

1 whether the proposed requests are being made in the most cost effective
2 manner. The department shall provide a copy of the HSRG review to the
3 office of financial management with their agency budget proposal.

4 (5) Within existing funds, the department shall continue
5 implementing its capital program action plan dated September 1, 2007,
6 including the purchase of the necessary maintenance and support costs
7 for the capital programs and engineering tools. The department shall
8 report to the office of financial management and the appropriate
9 committees of the legislature, its progress in implementing the plan,
10 including improvements instituted in its capital program, by September
11 30, 2011.

12 (6) \$100,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$100,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely for removal of derelict gear in
15 Washington waters.

16 (7) The department of fish and wildlife shall dispose of all fixed
17 wing aircraft it currently owns. The proceeds from the aircraft shall
18 be deposited into the state wildlife account. Disposal of the aircraft
19 must occur no later than June 30, 2010.

20 (8) \$50,000 of the general fund--state appropriation for fiscal
21 year 2010 is provided solely for an electron project fish passage study
22 consistent with the recommendations and protocols contained in the 2008
23 electron project downstream fish passage final report.

24 (9) \$60,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$60,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for implementation of Engrossed
27 Second Substitute Bill No. 5138 (climate change response). If the bill
28 is not enacted by June 30, 2009, the amounts provided in this
29 subsection shall lapse.

30 (10) If sufficient new revenues are not identified to continue
31 hatchery operations, within the constraints of legally binding tribal
32 agreements, the department shall dispose of, by removal, sale, lease,
33 reversion, or transfer of ownership, the following hatcheries:
34 McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock.
35 Disposal of the hatcheries must occur by June 30, 2011, and any
36 proceeds received from disposal shall be deposited in the state
37 wildlife account. Within available funds, the department shall provide
38 quarterly reports on the progress of disposal to the office of

1 financial management and the appropriate fiscal committees of the
2 legislature. The first report shall be submitted no later than
3 September 30, 2009.

4 (11) \$100,000 of the eastern Washington pheasant enhancement
5 account--state appropriation is provided solely for the department to
6 support efforts to enhance permanent and temporary pheasant habitat on
7 public and private lands in Grant, Franklin, and Adams counties. The
8 department may support efforts by entities including conservation
9 districts, nonprofit organizations, and landowners, and must require
10 such entities to provide significant nonstate matching resources, which
11 may be in the form of funds, material, or labor.

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

13	General Fund--State Appropriation (FY 2010)	\$42,483,000
14	General Fund--State Appropriation (FY 2011)	\$42,873,000
15	General Fund--Federal Appropriation	\$26,757,000
16	General Fund--Private/Local Appropriation	\$1,373,000
17	Forest Development Account--State Appropriation	\$42,265,000
18	Off Road Vehicle Account--State Appropriation	\$4,274,000
19	Surveys and Maps Account--State Appropriation	\$2,563,000
20	Aquatic Lands Enhancement Account--State	
21	Appropriation	\$7,295,000
22	Resources Management Cost Account--State	
23	Appropriation	\$79,889,000
24	Surface Mining Reclamation Account--State	
25	Appropriation	\$3,519,000
26	Disaster Response Account--State Appropriation	\$5,000,000
27	Forest and Fish Support Account--State Appropriation	\$8,000,000
28	Aquatic Land Dredged Material Disposal Site	
29	Account--State Appropriation	\$1,339,000
30	Natural Resources Conservation Areas Stewardship	
31	Account--State Appropriation	\$34,000
32	State Toxics Control Account--State Appropriation	\$80,000
33	Air Pollution Control Account--State Appropriation	\$572,000
34	NOVA Program Account--State Appropriation	\$982,000
35	Derelict Vessel Removal Account--State Appropriation	\$1,755,000
36	Agricultural College Trust Management Account--	
37	State Appropriation	\$2,659,000

1 TOTAL APPROPRIATION \$273,712,000

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

4 (1) \$1,355,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$1,299,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for deposit into the agricultural
7 college trust management account and are provided solely to manage
8 approximately 70,700 acres of Washington State University's
9 agricultural college trust lands.

10 (2) \$11,128,000 of the general fund--state appropriation for fiscal
11 year 2010, \$11,128,000 of the general fund--state appropriation for
12 fiscal year 2011, and \$5,000,000 of the disaster response account--
13 state appropriation are provided solely for emergency fire suppression.
14 None of the general fund and disaster response account amounts provided
15 in this subsection may be used to fund agency indirect and
16 administrative expenses. Agency indirect and administrative costs
17 shall be allocated among the agency's remaining accounts and
18 appropriations. The department of natural resources shall submit a
19 quarterly report to the office of financial management and the
20 legislative fiscal committees detailing information on current and
21 planned expenditures from the disaster response account. This work
22 shall be done in coordination with the military department.

23 (3) \$5,000,000 of the forest and fish support account--state
24 appropriation is provided solely for adaptive management, monitoring,
25 and participation grants to tribes. If federal funding for this
26 purpose is reinstated, the amount provided in this subsection shall
27 lapse.

28 (4) \$600,000 of the derelict vessel removal account--state
29 appropriation is provided solely for removal of derelict and abandoned
30 vessels that have the potential to contaminate Puget Sound.

31 (5) The department of natural resources shall dispose of the King
32 Air aircraft it currently owns. Disposal of the aircraft must occur no
33 later than June 30, 2010, and the proceeds from the sale of the
34 aircraft shall be deposited into the natural resources equipment
35 revolving fund. At the expiration of current leases, the department
36 shall lease facilities in eastern Washington sufficient to house the
37 necessary aircraft, mechanics, and pilots used for forest fire
38 prevention and suppression.

1 (6) \$2,087,250 of the state general fund--state appropriation for
2 fiscal year 2010, \$2,087,250 of the state general fund--state
3 appropriation for fiscal year 2011, \$2,730,900 of the resource
4 management cost account--state appropriation, and \$2,022,300 of the
5 forest development account--state appropriation are provided solely for
6 forest work crews that support correctional camps and are contingent
7 upon continuing operations of Naselle youth camp at the level provided
8 in fiscal year 2008.

9 (7) \$30,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$30,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for implementation of Engrossed
12 Second Substitute Bill No. 5138 (climate change response). If the bill
13 is not enacted by June 30, 2009, the amounts provided in this
14 subsection shall lapse.

15 (8) \$666,000 of the general fund--federal appropriation is provided
16 solely to implement House Bill No. 2165 (forest biomass energy
17 project). If the bill is not enacted by June 30, 2009, the amount
18 provided in this subsection shall lapse.

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

20	General Fund--State Appropriation (FY 2010)	\$12,777,000
21	General Fund--State Appropriation (FY 2011)	\$12,424,000
22	General Fund--Federal Appropriation	\$11,641,000
23	General Fund--Private/Local Appropriation	\$200,000
24	Aquatic Lands Enhancement Account--State	
25	Appropriation	\$2,570,000
26	State Toxics Control Account--State Appropriation	\$4,323,000
27	Water Quality Permit Account--State Appropriation	\$63,000
28	TOTAL APPROPRIATION	\$43,998,000

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

31 (1) \$350,000 of the aquatic lands enhancement account appropriation
32 is provided solely for funding to the Pacific county noxious weed
33 control board to eradicate remaining spartina in Willipa Bay.

34 (2) Within the amounts appropriated in this section, the department
35 of agriculture shall convene meetings with the dairy industry
36 representatives and affected groups to consider alternatives for
37 stabilizing farm milk prices. The department of agriculture shall

1 provide a report of findings to the appropriate committees of the
2 legislature and the office of financial management no later than
3 December 15, 2009.

4 (3) \$63,000 of the general fund--state appropriation for fiscal
5 year 2010 is provided solely for implementation of Engrossed Substitute
6 Bill No. 5005 (naturally raised beef cattle). If the bill is not
7 enacted by June 30, 2009, the amounts provided in this subsection shall
8 lapse.

9 (4) \$25,000 of the state toxics control account--state
10 appropriation is provided solely for implementation of Substitute
11 Senate Bill No. 5797 (solid waste handling permits). If the bill is
12 not enacted by June 30, 2009, the amounts provided in this subsection
13 shall lapse.

14 (5) The department is authorized to establish or increase the
15 following fees in the 2009-2011 fiscal biennium as necessary to meet
16 the actual costs of conducting business and the appropriation levels in
17 this section: Christmas tree grower licensing, nursery dealer
18 licensing, plant pest inspection and testing, and commission merchant
19 licensing.

20 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
21 **REINSURANCE PROGRAM**

22 Pollution Liability Insurance Program Trust
23 Account--State Appropriation \$646,000

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

25 General Fund--State Appropriation (FY 2010) \$4,002,000
26 General Fund--State Appropriation (FY 2011) \$3,657,000
27 General Fund--Federal Appropriation \$3,625,000
28 Aquatic Lands Enhancement Account--State Appropriation \$500,000
29 State Toxics Control Account--State Appropriation \$741,000
30 Oil Spill Response Account--State Appropriation \$250,000
31 TOTAL APPROPRIATION \$12,775,000

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

34 (1) \$305,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$170,000 of the state toxics control account--state

1 appropriation for fiscal year 2010 are provided solely for measuring
2 water and habitat quality to determine watershed health and assist
3 salmon recovery.

4 (2) The partnership may provide independent advice and assessment
5 of the state's oil spill prevention, preparedness, and response
6 programs, including review of existing activities and recommendations
7 for any necessary improvements. The partnership may carry out this
8 function through an existing committee, such as the ecosystem
9 coordination board or the leadership council, or may appoint a special
10 advisory council. Because this is a unique statewide program, the
11 partnership may invite participation from outside the Puget Sound
12 region. \$250,000 of the oil spill response account--state
13 appropriation is provided solely for this purpose.

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

19 (4) The Puget Sound partnership shall work with Washington State
20 University and the environmental protection agency to secure funding
21 for the beach watchers program.

(End of part)

PART IV
TRANSPORTATION

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

4	General Fund--State Appropriation (FY 2010)	\$1,703,000
5	General Fund--State Appropriation (FY 2011)	\$1,746,000
6	Architects' License Account--State Appropriation	\$1,063,000
7	Cemetery Account--State Appropriation	\$417,000
8	Professional Engineers' Account--State Appropriation	\$3,609,000
9	Real Estate Commission Account--State Appropriation	\$10,123,000
10	Master License Account--State Appropriation	\$15,813,000
11	Uniform Commercial Code Account--State Appropriation	\$3,127,000
12	Real Estate Education Account--State Appropriation	\$276,000
13	Real Estate Appraiser Commission Account--State	
14	Appropriation	\$1,707,000
15	Business and Professions Account--State Appropriation	\$15,530,000
16	Real Estate Research Account--State Appropriation	\$320,000
17	Funeral Directors And Embalmers Account--State	
18	Appropriation	\$891,000
19	Geologists' Account--State Appropriation	\$53,000
20	Derelict Vessel Removal Account--State Appropriation	\$31,000
21	TOTAL APPROPRIATION	\$56,409,000

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

24 (1) Pursuant to RCW 43.135.055, the department is authorized to
25 increase fees for cosmetologists, funeral directors, cemeteries, court
26 reporters and appraisers. These increases are necessary to support the
27 expenditures authorized in this section, consistent with RCW 43.24.086.

28 (2) \$1,352,000 of the business and professions account--state
29 appropriation is provided solely to implement Substitute Senate Bill
30 No. 5391 (tattoo and body piercing). If the bill is not enacted by
31 June 30, 2009, the amount provided in this subsection shall lapse.

32 (3) \$150,000 of the business and professions account--state
33 appropriation is provided solely to implement Senate Bill No. 5698
34 (soil and wetland scientists). If the bill is not enacted by June 30,
35 2009, the amount provided in this subsection shall lapse.

1 (4) \$289,000 of the architects' license account--state
2 appropriation is provided solely to implement Senate Bill No. 5529
3 (architects). If the bill is not enacted by June 30, 2009, the amount
4 provided in this subsection shall lapse.

5 (5) \$358,000 of the business and professions account--state
6 appropriation is provided solely to implement Senate Bill No. 6126
7 (professional athletics). If the bill is not enacted by June 30, 2009,
8 the amount provided in this subsection shall lapse.

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

10	General Fund--State Appropriation (FY 2010)	\$41,792,000
11	General Fund--State Appropriation (FY 2011)	\$40,577,000
12	General Fund--Federal Appropriation	\$11,452,000
13	General Fund--Private/Local Appropriation	\$2,935,000
14	Death Investigations Account--State Appropriation	\$6,084,000
15	Enhanced 911 Account--State Appropriation	\$606,000
16	County Criminal Justice Assistance Account--State	
17	Appropriation	\$3,200,000
18	Municipal Criminal Justice Assistance Account--State	
19	Appropriation	\$1,267,000
20	Fire Service Trust Account--State Appropriation	\$131,000
21	Disaster Response Account--State Appropriation	\$8,002,000
22	Fire Service Training Account--State Appropriation	\$8,743,000
23	Aquatic Invasive Species Enforcement Account--State	
24	Appropriation	\$54,000
25	State Toxics Control Account--State Appropriation	\$507,000
26	Fingerprint Identification Account--State Appropriation	\$7,393,000
27	TOTAL APPROPRIATION	\$132,743,000

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

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

PART V
EDUCATION

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

General Fund--State Appropriation (FY 2010)	\$33,465,000
General Fund--State Appropriation (FY 2011)	\$31,370,000
General Fund--Federal Appropriation	\$86,571,000
TOTAL APPROPRIATION	\$151,406,000

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

(1) A maximum of \$21,487,000 of the general fund--state appropriation for fiscal year 2010, \$19,823,000 of the general fund--state appropriation for fiscal year 2011, and \$21,478,000 of the general fund--federal appropriation is for state agency operations.

(a) \$11,901,000 of the general fund--state appropriation for fiscal year 2010 and \$11,462,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction, consistent with 392-121-182 (alternative learning experience requirements) which requires documentation of alternative learning experience student headcount and full-time equivalent (FTE) enrollment claimed for basic education funding, shall provide, via the monthly report of school district enrollment, accurate monthly headcount and FTE enrollments for students in internet alternative learning experience (ALE) programs as well as information about resident and serving districts.

(ii) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction shall work with the office of financial management to assess the state allocation for internet alternative learning experience (ALE) programs, relative to the basic education general allocation. The assessment shall include but not be limited to a comparison of staffing ratios, nonemployee-related costs, and facility requirements. Further, given Washington Administrative Code requirements for monthly progress reviews by school staff as well as requirements for direct personal contact with

1 students, and the potential for necessary services at both the resident
2 and the serving district, the assessment shall include an analysis of
3 the appropriate share of per-student allocations between resident
4 districts and serving districts in the event the districts are not the
5 same. The office of the superintendent of public instruction shall
6 report to the senate ways and means committee and the house ways and
7 means committee by November 1, 2009, with the results and
8 recommendations for adjusting the state allocation for online learning
9 relative to the basic education general allocation and for allocating
10 appropriate distributions between districts.

11 (b) \$1,043,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$965,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for the operation and expenses of
14 the state board of education, including basic education assistance
15 activities. \$78,000 of the general fund--state appropriation for
16 fiscal year 2010 is provided solely for implementation of Engrossed
17 Substitute Senate Bill No. 5449 (relating to a statewide effort to
18 establish and meet graduation and reengagement goals). If the bill is
19 not enacted by June 30, 2009, the amount provided in this subsection
20 shall lapse.

21 (i) The state board of education shall continue to refine the
22 development of an accountability framework that creates a unified
23 system of support for challenged schools that aligns with basic
24 education, increases the level of support based upon the magnitude of
25 need, and uses data for decisions. The board shall develop an
26 accountability index to identify schools and districts for recognition
27 and for additional state support. The index shall be based on criteria
28 that are fair, consistent, and transparent. Performance shall be
29 measured using multiple outcomes and indicators including, but not
30 limited to, graduation rates and results from statewide assessments.
31 The index shall be developed in such a way as to be easily understood
32 by both employees within the schools and districts, as well as parents
33 and community members. The index should provide feedback to schools
34 and districts to self-assess their progress, and enable the
35 identification of schools with exemplary student performance and those
36 that need assistance to overcome challenges in order to achieve
37 exemplary student performance. Once the accountability index has
38 identified schools that need additional help, a more thorough analysis

1 will be done to analyze specific conditions in the district including
2 but not limited to the level of state resources a school or school
3 district receives in support of the basic education system, achievement
4 gaps for different groups of students, and community support.

5 (ii) Based on the accountability index and in consultation with the
6 superintendent of public instruction, the state board of education
7 shall develop a proposal and timeline for implementation of a
8 comprehensive system of voluntary support and assistance for schools
9 and districts. The timeline must take into account and accommodate
10 capacity limitations of the K-12 educational system. Changes that have
11 a fiscal impact on school districts, as identified by a fiscal analysis
12 prepared by the office of the superintendent of public instruction,
13 shall take effect only if formally authorized by the legislature
14 through the omnibus appropriations act or other enacted legislation.

15 (iii) The state board of education shall develop a proposal and
16 implementation timeline for a more formalized comprehensive system
17 improvement targeted to challenged schools and districts that have not
18 demonstrated sufficient improvement through the voluntary system. The
19 timeline must take into account and accommodate capacity limitations of
20 the K-12 educational system. The proposal and timeline shall be
21 submitted to the education committees of the legislature by December 1,
22 2009, and shall include recommended legislation and recommended
23 resources to implement the system according to the timeline developed.
24 The proposal shall outline a process for addressing performance
25 challenges that will include the following features: (A) An academic
26 performance audit using peer review teams of educators that considers
27 school and community factors in addition to other factors in developing
28 recommended specific corrective actions that should be undertaken to
29 improve student learning; (B) a requirement for the local school board
30 plan to develop and be responsible for implementation of corrective
31 action plan taking into account the audit findings, which plan must be
32 approved by the state board of education at which time the plan becomes
33 binding upon the school district to implement; and (C) monitoring of
34 local district progress by the office of the superintendent of public
35 instruction. The proposal shall take effect only if formally
36 authorized by the legislature through the omnibus appropriations act or
37 other enacted legislation.

1 (iv) In coordination with the superintendent of public instruction,
2 the state board of education shall seek approval from the United States
3 department of education for use of the accountability index and the
4 state system of support, assistance, and intervention, to replace the
5 federal accountability system under P.L. 107-110, the no child left
6 behind act of 2001.

7 (c) \$5,278,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$5,176,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely to the professional educator
10 standards board for the following:

11 (i) \$1,070,000 for fiscal year 2010 and \$1,070,000 for fiscal year
12 2011 are for the operation and expenses of the Washington professional
13 educator standards board, including administering the alternative
14 routes to certification program, pipeline for paraeducators conditional
15 scholarship loan program, and the retooling to teach math conditional
16 loan program and recruiting diverse teachers program;

17 (ii) \$3,431,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$3,431,000 of the general fund--state appropriation for
19 fiscal year 2011 are for conditional scholarship loans and mentor
20 stipends provided through the alternative routes to certification
21 program administered by the professional educator standards board. Of
22 the amounts provided in this subsection (1)(c)(ii):

23 (A) \$500,000 each year is provided solely for conditional
24 scholarships to candidates seeking an endorsement in special education,
25 math, science, or bilingual education;

26 (B) \$2,372,000 for fiscal year 2010 and \$2,372,000 for fiscal year
27 2011 are for the expansion of conditional scholarship loans and mentor
28 stipends for individuals enrolled in alternative route state
29 partnership programs and seeking endorsements in math, science, special
30 education or bilingual education;

31 (C) Remaining amounts in this subsection (1)(c)(ii) shall be used
32 to continue existing alternative routes to certification programs; and

33 (D) Candidates seeking math and science endorsements under (A) and
34 (B) of this subsection shall receive priority for funding;

35 (iii) \$102,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for implementation of Second Substitute
37 Senate Bill No. 5973 (relating to closing the achievement gap in order

1 to provide all students an excellent and equitable education). If the
2 bill is not enacted by June 30, 2009, the amounts provided in this
3 subsection shall lapse.

4 (iv) \$231,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$231,000 of the general fund--state appropriation for
6 fiscal year 2011 are for the recruiting Washington teachers program;

7 (v) \$200,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$200,000 of the general fund--state appropriation for
9 fiscal year 2011 are for \$4,000 conditional loan stipends for
10 paraeducators participating in the pipeline for paraeducators program;
11 and

12 (vi) \$244,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$244,000 of the general fund--state appropriation for
14 fiscal year 2011 are for conditional stipends for certificated teachers
15 pursuing a mathematics or science endorsement under the retooling to
16 teach mathematics or science program. The conditional stipends shall
17 be for endorsement exam fees as well as stipends for teachers who must
18 also complete coursework.

19 (d) \$1,099,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$144,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for replacement of the
22 apportionment and grant payment system, which includes the processes
23 that collect school district budget and expenditure information,
24 staffing characteristics, and the student enrollments that drive the
25 funding process.

26 (e) \$1,146,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$1,146,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for the creation of a statewide
29 data base of longitudinal student information. This amount is
30 conditioned on the department satisfying the requirements in section
31 902 of this act.

32 (f) During the 2009-11 biennium, to the maximum extent possible, in
33 adopting new agency rules or making any changes to existing rules or
34 policies related to the fiscal provisions in the administration of part
35 V of this act, the office of the superintendent of public instruction
36 shall attempt to request approval through the normal legislative budget
37 process.

1 (2) \$11,978,000 of the general fund--state appropriation for fiscal
2 year 2010, \$11,547,000 of the general fund--state appropriation for
3 fiscal year 2011, and \$55,890,000 of the general fund--federal
4 appropriation are provided solely for statewide programs.

5 (3) \$44,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$45,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for implementation of Substitute
8 Senate Bill No. 5248 (relating to the interstate compact on educational
9 opportunity for military children). If the bill is not enacted by June
10 30, 2009, the amounts provided in this subsection shall lapse.

11 (4) \$50,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$50,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for implementation of Engrossed
14 Senate Bill No. 6048 (relating to education). If the bill is not
15 enacted by June 30, 2009, the amounts provided in this subsection shall
16 lapse.

17 (5) \$610,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$518,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for implementation of Substitute
20 Senate Bill No. 5410 (relating to online learning). If the bill is not
21 enacted by June 30, 2009, the amounts provided in this subsection shall
22 lapse.

23 (6) \$145,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$145,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided to the office of the superintendent of
26 public instruction to enhance the reading skills of students with
27 dyslexia by implementing the findings of the dyslexia pilot program.
28 Funds shall be used to provide information and training to classroom
29 teachers and reading specialists, for development of a dyslexia
30 handbook, and to take other statewide actions to improve the reading
31 skills of students with dyslexia. The training program shall be
32 delivered regionally through the educational service districts.

33 (a) HEALTH AND SAFETY

34 (i) \$2,541,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$2,541,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for a corps of nurses located at
37 educational service districts, as determined by the superintendent of

1 public instruction, to be dispatched to the most needy schools to
2 provide direct care to students, health education, and training for
3 school staff.

4 (ii) \$100,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$100,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for a school safety training
7 program provided by the criminal justice training commission. The
8 commission, in collaboration with the school safety center advisory
9 committee, shall provide the school safety training for all school
10 administrators and school safety personnel, including school safety
11 personnel hired after the effective date of this section.

12 (iii) \$9,670,000 of the general fund--federal appropriation is
13 provided for safe and drug free schools and communities grants for drug
14 and violence prevention activities and strategies.

15 (iv) \$50,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$50,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the nonviolence leadership
18 training program.

19 (v) \$70,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$70,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided for the youth suicide prevention program.

22 (b) TECHNOLOGY

23 (i) \$1,939,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$1,939,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for K-20 telecommunications
26 network technical support in the K-12 sector to prevent system failures
27 and avoid interruptions in school utilization of the data processing
28 and video-conferencing capabilities of the network. These funds may be
29 used to purchase engineering and advanced technical support for the
30 network.

31 (ii) \$1,475,000 of the general fund--state appropriation for fiscal
32 year 2010, \$1,045,000 of the general fund--state appropriation for
33 fiscal year 2011, and \$435,000 of the general fund--federal
34 appropriation are provided solely for implementation of Engrossed
35 Second Substitute Senate Bill No. 5941 (relating to comprehensive
36 education data). If the bill is not enacted by June 30, 2009, the
37 state funds provided in this subsection shall lapse.

1 (iii) \$1,656,000 of the general fund--federal appropriation for
2 fiscal year 2010 and \$2,483,000 of the general fund--federal
3 appropriation for fiscal year 2011 of the American recovery and
4 reinvestment act (ARRA) of 2009 funds for education technology are
5 provided solely for distribution to school districts, by formula, as
6 provided in the ARRA and related federal guidelines. \$4,139,000 of the
7 general fund--federal appropriation of the American recovery and
8 reinvestment act (ARRA) of 2009 funds for education technology shall be
9 awarded to local education agencies through a competitive grant
10 process.

11 (c) GRANTS AND ALLOCATIONS

12 (i) \$1,329,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$1,329,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely to cover up to seven participating
15 districts. The office of the superintendent of public instruction
16 shall allocate these funds to the district or districts participating
17 in the program according to the provisions of RCW 28A.630.016.

18 (ii) \$31,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$31,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for operation of the Cispus
21 environmental learning center.

22 (iii) \$700,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$700,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for the Washington state achievers
25 scholarship program. The funds shall be used to support community
26 involvement officers that recruit, train, and match community volunteer
27 mentors with students selected as achievers scholars.

28 (iv) \$175,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$175,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for incentive grants for districts
31 and pilot projects to develop preapprenticeship programs. Incentive
32 grant awards up to \$10,000 each shall be used to support the program's
33 design, school/business/labor agreement negotiations, and recruiting
34 high school students for preapprenticeship programs in the building
35 trades and crafts.

36 (v) \$3,220,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$3,219,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided solely for the dissemination of the

1 navigation 101 curriculum to all districts, including disseminating
2 electronic student planning tools and software for analyzing the impact
3 of the implementation of navigation 101 on student performance, and
4 grants for up to one hundred school districts each year, including
5 prior grantees based on progress and need, for the implementation of
6 the navigation 101 program. The implementation grants and the school
7 districts selected shall represent various regions of the state and
8 reflect differences in school district size and enrollment
9 characteristics. The office of the superintendent of public
10 instruction will create a navigation 101 accountability model that will
11 gather student cause and effect data and implementation process data to
12 analyze the impact of the program.

13 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

15	General Fund--State Appropriation (FY 2010)	\$5,079,486,000
16	General Fund--State Appropriation (FY 2011)	\$5,458,855,000
17	General Fund--Federal Appropriation	\$240,000,000
18	TOTAL APPROPRIATION	\$10,778,341,000

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

21 (1) Each general fund fiscal year appropriation includes such funds
22 as are necessary to complete the school year ending in the fiscal year
23 and for prior fiscal year adjustments.

24 (2) Allocations for certificated staff salaries for the 2009-10 and
25 2010-11 school years shall be determined using formula-generated staff
26 units calculated pursuant to this subsection. Staff allocations for
27 small school enrollments in (e) through (g) of this subsection shall be
28 reduced for vocational full-time equivalent enrollments. Staff
29 allocations for small school enrollments in grades K-6 shall be the
30 greater of that generated under (a) of this subsection, or under (d)
31 and (e) of this subsection. Certificated staffing allocations shall be
32 as follows:

33 (a) On the basis of each 1,000 average annual full-time equivalent
34 enrollments, excluding full-time equivalent enrollment otherwise
35 recognized for certificated staff unit allocations under (d) through
36 (g) of this subsection:

1 (i) Four certificated administrative staff units per thousand full-
2 time equivalent students in grades K-12;

3 (ii) Forty-nine certificated instructional staff units per thousand
4 full-time equivalent students in grades K-3; and

5 (iii) Forty-six certificated instructional staff units per thousand
6 full-time equivalent students in grades 4-12;

7 (b) For school districts with a minimum enrollment of 250 full-time
8 equivalent students whose full-time equivalent student enrollment count
9 in a given month exceeds the first of the month full-time equivalent
10 enrollment count by 5 percent, an additional state allocation of 110
11 percent of the share that such increased enrollment would have
12 generated had such additional full-time equivalent students been
13 included in the normal enrollment count for that particular month;

14 (c)(i) On the basis of full-time equivalent enrollment in:

15 (A) Vocational education programs approved by the superintendent of
16 public instruction, a maximum of 0.92 certificated instructional staff
17 units and 0.08 certificated administrative staff units for each 19.5
18 full-time equivalent vocational students; and

19 (B) Skills center programs meeting the standards for skills center
20 funding established in January 1999 by the superintendent of public
21 instruction with a waiver allowed for skills centers in current
22 operation that are not meeting this standard until the 2008-09 school
23 year, 0.92 certificated instructional staff units and 0.08 certificated
24 administrative units for each 16.67 full-time equivalent vocational
25 students;

26 (ii) Vocational full-time equivalent enrollment shall be reported
27 on the same monthly basis as the enrollment for students eligible for
28 basic support, and payments shall be adjusted for reported vocational
29 enrollments on the same monthly basis as those adjustments for
30 enrollment for students eligible for basic support; and

31 (iii) Indirect cost charges by a school district to vocational-
32 secondary programs shall not exceed 15 percent of the combined basic
33 education and vocational enhancement allocations of state funds;

34 (d) For districts enrolling not more than twenty-five average
35 annual full-time equivalent students in grades K-8, and for small
36 school plants within any school district which have been judged to be
37 remote and necessary by the state board of education and enroll not

1 more than twenty-five average annual full-time equivalent students in
2 grades K-8:

3 (i) For those enrolling no students in grades 7 and 8, 1.76
4 certificated instructional staff units and 0.24 certificated
5 administrative staff units for enrollment of not more than five
6 students, plus one-twentieth of a certificated instructional staff unit
7 for each additional student enrolled; and

8 (ii) For those enrolling students in grades 7 or 8, 1.68
9 certificated instructional staff units and 0.32 certificated
10 administrative staff units for enrollment of not more than five
11 students, plus one-tenth of a certificated instructional staff unit for
12 each additional student enrolled;

13 (e) For specified enrollments in districts enrolling more than
14 twenty-five but not more than one hundred average annual full-time
15 equivalent students in grades K-8, and for small school plants within
16 any school district which enroll more than twenty-five average annual
17 full-time equivalent students in grades K-8 and have been judged to be
18 remote and necessary by the state board of education:

19 (i) For enrollment of up to sixty annual average full-time
20 equivalent students in grades K-6, 2.76 certificated instructional
21 staff units and 0.24 certificated administrative staff units; and

22 (ii) For enrollment of up to twenty annual average full-time
23 equivalent students in grades 7 and 8, 0.92 certificated instructional
24 staff units and 0.08 certificated administrative staff units;

25 (f) For districts operating no more than two high schools with
26 enrollments of less than three hundred average annual full-time
27 equivalent students, for enrollment in grades 9-12 in each such school,
28 other than alternative schools:

29 (i) For remote and necessary schools enrolling students in any
30 grades 9-12 but no more than twenty-five average annual full-time
31 equivalent students in grades K-12, four and one-half certificated
32 instructional staff units and one-quarter of a certificated
33 administrative staff unit;

34 (ii) For all other small high schools under this subsection, nine
35 certificated instructional staff units and one-half of a certificated
36 administrative staff unit for the first sixty average annual full time
37 equivalent students, and additional staff units based on a ratio of

1 0.8732 certificated instructional staff units and 0.1268 certificated
2 administrative staff units per each additional forty-three and one-half
3 average annual full time equivalent students.

4 Units calculated under (g)(ii) of this subsection shall be reduced
5 by certificated staff units at the rate of forty-six certificated
6 instructional staff units and four certificated administrative staff
7 units per thousand vocational full-time equivalent students;

8 (g) For each nonhigh school district having an enrollment of more
9 than seventy annual average full-time equivalent students and less than
10 one hundred eighty students, operating a grades K-8 program or a grades
11 1-8 program, an additional one-half of a certificated instructional
12 staff unit; and

13 (i) For each nonhigh school district having an enrollment of more
14 than fifty annual average full-time equivalent students and less than
15 one hundred eighty students, operating a grades K-6 program or a grades
16 1-6 program, an additional one-half of a certificated instructional
17 staff unit.

18 (3) Allocations for classified salaries for the 2009-10 and 2010-11
19 school years shall be calculated using formula-generated classified
20 staff units determined as follows:

21 (a) For enrollments generating certificated staff unit allocations
22 under subsection (2)(e) through (i) of this section, one classified
23 staff unit for each 3.00 certificated staff units allocated under such
24 subsections;

25 (b) For all other enrollment in grades K-12, including vocational
26 full-time equivalent enrollments, one classified staff unit for each
27 60.00 average annual full-time equivalent students; and

28 (c) For each nonhigh school district with an enrollment of more
29 than fifty annual average full-time equivalent students and less than
30 one hundred eighty students, an additional one-half of a classified
31 staff unit.

32 (4) Fringe benefit allocations shall be calculated at a rate of
33 14.62 percent in the 2009-10 school year and 14.62 percent in the 2010-
34 11 school year for certificated salary allocations provided under
35 subsection (2) of this section, and a rate of 16.70 percent in the
36 2009-10 school year and 16.70 percent in the 2010-11 school year for
37 classified salary allocations provided under subsection (3) of this
38 section.

1 (5) Insurance benefit allocations shall be calculated at the
2 maintenance rate specified in section 504(1) of this act, based on the
3 number of benefit units determined as follows:

4 (a) The number of certificated staff units determined in subsection
5 (2) of this section; and

6 (b) The number of classified staff units determined in subsection
7 (3) of this section multiplied by 1.152. This factor is intended to
8 adjust allocations so that, for the purposes of distributing insurance
9 benefits, full-time equivalent classified employees may be calculated
10 on the basis of 1440 hours of work per year, with no individual
11 employee counted as more than one full-time equivalent.

12 (6)(a) For nonemployee-related costs associated with each
13 certificated staff unit allocated under subsection (2)(a), (b), and (d)
14 through (g) of this section, there shall be provided a maximum of
15 \$10,179 per certificated staff unit in the 2009-10 school year and a
16 maximum of \$10,465 per certificated staff unit in the 2010-11 school
17 year.

18 (b) For nonemployee-related costs associated with each vocational
19 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
20 section, there shall be provided a maximum of \$24,999 per certificated
21 staff unit in the 2009-10 school year and a maximum of \$25,499 per
22 certificated staff unit in the 2010-11 school year.

23 (c) For nonemployee-related costs associated with each vocational
24 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
25 section, there shall be provided a maximum of \$19,395 per certificated
26 staff unit in the 2009-10 school year and a maximum of \$19,783 per
27 certificated staff unit in the 2010-11 school year.

28 (7) Allocations for substitute costs for classroom teachers shall
29 be distributed at a maintenance rate of \$607.44 for the 2009-10 and
30 2010-11 school years per allocated classroom teachers exclusive of
31 salary increase amounts provided in section 504 of this act. Solely
32 for the purposes of this subsection, allocated classroom teachers shall
33 be equal to the number of certificated instructional staff units
34 allocated under subsection (2) of this section, multiplied by the ratio
35 between the number of actual basic education certificated teachers and
36 the number of actual basic education certificated instructional staff
37 reported statewide for the prior school year.

1 (8) Any school district board of directors may petition the
2 superintendent of public instruction by submission of a resolution
3 adopted in a public meeting to reduce or delay any portion of its basic
4 education allocation for any school year. The superintendent of public
5 instruction shall approve such reduction or delay if it does not impair
6 the district's financial condition. Any delay shall not be for more
7 than two school years. Any reduction or delay shall have no impact on
8 levy authority pursuant to RCW 84.52.0531 and local effort assistance
9 pursuant to chapter 28A.500 RCW.

10 (9) The superintendent may distribute a maximum of \$8,747,000
11 outside the basic education formula during fiscal years 2010 and 2011
12 as follows:

13 (a) For fire protection for school districts located in a fire
14 protection district as now or hereafter established pursuant to chapter
15 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010
16 and a maximum of \$578,000 may be expended in fiscal year 2011;

17 (b) For summer vocational programs at skills centers, a maximum of
18 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of
19 \$2,385,000 for the 2011 fiscal year. 20 percent of each fiscal year
20 amount may carry over from one year to the next;

21 (c) A maximum of \$404,000 may be expended for school district
22 emergencies;

23 (d) A maximum of \$485,000 each fiscal year may be expended for
24 programs providing skills training for secondary students who are
25 enrolled in extended day school-to-work programs, as approved by the
26 superintendent of public instruction. The funds shall be allocated at
27 a rate not to exceed \$500 per full-time equivalent student enrolled in
28 those programs; and

29 (e) \$648,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$810,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for implementation of Second
32 Substitute Senate Bill No. 5676 (relating to middle school career and
33 technical education). If the bill is not enacted by June 30, 2009, the
34 amounts provided in this subsection shall lapse.

35 (10) For purposes of RCW 84.52.0531, the increase per full-time
36 equivalent student is 4.0 percent from the 2008-09 school year to the
37 2009-10 school year and 4.0 percent from the 2009-10 school year to the
38 2010-11 school year.

1 (11) If two or more school districts consolidate and each district
2 was receiving additional basic education formula staff units pursuant
3 to subsection (2)(b) through (h) of this section, the following shall
4 apply:

5 (a) For three school years following consolidation, the number of
6 basic education formula staff units shall not be less than the number
7 of basic education formula staff units received by the districts in the
8 school year prior to the consolidation; and

9 (b) For the fourth through eighth school years following
10 consolidation, the difference between the basic education formula staff
11 units received by the districts for the school year prior to
12 consolidation and the basic education formula staff units after
13 consolidation pursuant to subsection (2)(a) through (g) of this section
14 shall be reduced in increments of twenty percent per year.

15 (12) \$240,000,000 of the general fund--federal appropriation for
16 fiscal year 2010 from the American recovery and reinvestment act (ARRA)
17 of 2009 funds for fiscal stabilization and \$360,000,000 of the general
18 fund--state appropriation for fiscal year 2011 are provided solely for
19 distribution to school districts as provided in this subsection.
20 Following restoration of school-year 2008-09 carryforward levels for
21 the student achievement program and the local effort assistance program
22 in fiscal year 2010 with ARRA fiscal stabilization funds, distribution
23 of ARRA Title I Part A recovery funds, distribution of ARRA individuals
24 with disabilities education act (IDEA), Part B recovery funds, and
25 distribution of ARRA education technology funds, the state and federal
26 fiscal stabilization funds shall be allocated as follows:

27 (a) \$179,899,000 of the general fund--federal appropriation for
28 fiscal year 2010, or as much as remains after setting aside funds for
29 the cost of a new minimum administrative salary of \$67,126 and a new
30 minimum classified salary of \$33,428, shall be used solely to restore
31 funding levels proportionately to school districts to achieve an
32 equitable reduction from estimated maintenance-level state formula
33 allocations. To the extent that initial distribution, by formula, of
34 the funds identified in this subsection (12) yield a percent reduction
35 from maintenance level that is higher than the equitable reduction
36 achieved for other school districts, districts will be held harmless
37 and funds shall not be removed;

1 (b) \$284,625,000 of the general fund--state appropriation for
2 fiscal year 2011, or as much as remains after setting aside funds for
3 the cost of a new minimum administrative salary of \$67,126 and a new
4 minimum classified salary of \$33,428, shall be used solely to restore
5 funding levels to school districts to achieve an equitable reduction
6 from estimated maintenance-level state allocations. To the extent that
7 initial distribution, by formula, of the funds identified in this
8 subsection (12) yield a percent reduction from maintenance level that
9 is higher than the equitable reduction achieved for other school
10 districts, districts will be held harmless and funds shall not be
11 removed; and

12 (c) Remaining funds, in amounts necessary to achieve a new minimum
13 administrative salary of \$67,126 and a new minimum classified salary of
14 \$33,428 - estimated at increases of 12.18 percent and 4.14 percent
15 respectively in school year 2009-10 - shall then be distributed for
16 administrative and classified salary increases.

17 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
18 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION.** (1) The following
19 calculations determine the salaries used in the general fund
20 allocations for certificated instructional, certificated
21 administrative, and classified staff units under section 502 of this
22 act:

23 (a) Salary allocations for certificated instructional staff units
24 shall be determined for each district by multiplying the district's
25 certificated instructional total base salary shown on LEAP Document 2
26 by the district's average staff mix factor for certificated
27 instructional staff in that school year, computed using LEAP Document
28 1; and

29 (b) Salary allocations for certificated administrative staff units
30 and classified staff units for each district shall be based on the
31 district's certificated administrative and classified salary allocation
32 amounts shown on LEAP Document 2.

33 (2) For the purposes of this section:

34 (a) "LEAP Document 1" means the staff mix factors for certificated
35 instructional staff according to education and years of experience, as
36 developed by the legislative evaluation and accountability program
37 committee on April 11, 2009, 08:22 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on April 11, 2009, 09:10 hours.

(3)(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:

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2009-10 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or Ph.D.
0	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115
1	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589
2	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061
3	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
4	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030
5	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
6	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
7	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989
8	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512
9		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
10			43,877	45,498	48,794	51,195	48,995	52,291	54,692
11				47,032	50,399	52,849	50,528	53,897	56,345
12				48,517	52,048	54,571	52,122	55,545	58,068
13					53,737	56,335	53,773	57,234	59,831
14					55,434	58,165	55,471	59,042	61,663
15					56,877	59,679	56,913	60,577	63,266
16 or more					58,014	60,871	58,051	61,788	64,531

K-12 Salary Allocation Schedule For Certificated Instructional Staff

2010-11 School Year

1	Years of									MA+90
2	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	or Ph.D.
3	0	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115
4	1	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589
5	2	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061
6	3	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
7	4	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030
8	5	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
9	6	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
10	7	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989
11	8	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512
12	9		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
13	10			43,877	45,498	48,794	51,195	48,995	52,291	54,692
14	11				47,032	50,399	52,849	50,528	53,897	56,345
15	12				48,517	52,048	54,571	52,122	55,545	58,068
16	13					53,737	56,335	53,773	57,234	59,831
17	14					55,434	58,165	55,471	59,042	61,663
18	15					56,877	59,679	56,913	60,577	63,266
19	16 or more					58,014	60,871	58,051	61,788	64,531

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

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

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

30 (4) For the purposes of this section:

31 (a) "BA" means a baccalaureate degree.

32 (b) "MA" means a masters degree.

33 (c) "PHD" means a doctorate degree.

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

36 (e) "Credits" means college quarter hour credits and equivalent in-

1 service credits computed in accordance with RCW 28A.415.020 and
2 28A.415.023.

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

8 (a) The employee has a masters degree; or

9 (b) The credits were used in generating state salary allocations
10 before January 1, 1992.

11 (6) The certificated instructional staff base salary specified for
12 each district in LEAP Document 2 and the salary schedules in subsection
13 (3)(a) of this section includes one learning improvement day. A school
14 district is eligible for the learning improvement day funds only if the
15 learning improvement day has been added to the 180-day contract year.
16 The additional day shall be limited to specific activities identified
17 in RCW 28A.415.360(2), related to math, science, and reading, and shall
18 not be considered part of basic education. Where appropriate, priority
19 shall be given to math and science training. The principal in each
20 school shall assure that the day is used accordingly. The school
21 principal and the district superintendent shall maintain documentation
22 as to their approval of these activities. The total hours of a
23 learning improvement day shall not be less than the length of a full
24 day under the base contract. The superintendent of public instruction
25 shall ensure that school districts adhere to the intent and purposes of
26 this subsection.

27 (7) The salary allocation schedules established in this section are
28 for allocation purposes only except as provided in RCW 28A.400.200(2)
29 and subsection (6) of this section.

30 NEW SECTION. **Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

32	General Fund--State Appropriation (FY 2010)	\$10,692,000
33	General Fund--State Appropriation (FY 2011)	\$32,409,000
34	General Fund--Federal Appropriation	\$19,000
35	TOTAL APPROPRIATION	\$43,120,000

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

1 (1) \$43,120,000 is for adjustments to insurance benefit
 2 allocations. The maintenance rate for insurance benefit allocations is
 3 \$732.00 per month for the 2009-10 and 2010-11 school years. The
 4 appropriations in this section provide for a rate increase to \$745.00
 5 per month for the 2009-10 school year and \$768.00 per month for the
 6 2010-11 school year. The adjustments to health insurance benefit
 7 allocations are at the following rates:

	School Year	
	2009-10	2010-11
8 Pupil Transportation (per weighted pupil mile)	\$0.12	\$0.33
9 Highly Capable (per formula student)	\$0.82	\$2.22
10 Transitional Bilingual Education (per eligible bilingual student)	\$2.10	\$5.83
11 Learning Assistance (per formula student)	\$0.54	\$1.49

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

14 **NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
 15 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

16 General Fund--State Appropriation (FY 2010)	\$310,254,000
17 General Fund--State Appropriation (FY 2011)	\$310,809,000
18 TOTAL APPROPRIATION	\$621,063,000

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

21 (1) Each general fund fiscal year appropriation includes such funds
 22 as are necessary to complete the school year ending in the fiscal year
 23 and for prior fiscal year adjustments.

24 (2) A maximum of \$878,000 of this fiscal year 2010 appropriation
 25 and a maximum of \$896,000 of the fiscal year 2011 appropriation may be
 26 expended for regional transportation coordinators and related
 27 activities. The transportation coordinators shall ensure that data
 28 submitted by school districts for state transportation funding shall,
 29 to the greatest extent practical, reflect the actual transportation
 30 activity of each district.

31 (3) \$5,000 of the fiscal year 2010 appropriation and \$5,000 of the
 32 fiscal year 2011 appropriation are provided solely for the

1 transportation of students enrolled in "choice" programs.
2 Transportation shall be limited to low-income students who are
3 transferring to "choice" programs solely for educational reasons.

4 (4) Allocations for transportation of students shall be based on
5 reimbursement rates of \$48.83 per weighted mile in the 2009-10 school
6 year and \$49.11 per weighted mile in the 2010-11 school year exclusive
7 of salary and benefit adjustments provided in section 504 of this act.
8 Allocations for transportation of students transported more than one
9 radius mile shall be based on weighted miles as determined by
10 superintendent of public instruction multiplied by the per mile
11 reimbursement rates for the school year pursuant to the formulas
12 adopted by the superintendent of public instruction. Allocations for
13 transportation of students living within one radius mile shall be based
14 on the number of enrolled students in grades kindergarten through five
15 living within one radius mile of their assigned school multiplied by
16 the per mile reimbursement rate for the school year multiplied by 1.29.

17 (5) The office of the superintendent of public instruction shall
18 provide reimbursement funding to a school district only after the
19 superintendent of public instruction determines that the school bus was
20 purchased from the list established pursuant to RCW 28A.160.195(2) or
21 a comparable competitive bid process based on the lowest price quote
22 based on similar bus categories to those used to establish the list
23 pursuant to RCW 28A.160.195.

24 (6) The superintendent of public instruction shall base
25 depreciation payments for school district buses on the five-year
26 average of lowest bids in the appropriate category of bus. In the
27 final year on the depreciation schedule, the depreciation payment shall
28 be based on the lowest bid in the appropriate bus category for that
29 school year.

30 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

32	General Fund--State Appropriation (FY 2010)	\$3,159,000
33	General Fund--State Appropriation (FY 2011)	\$3,159,000
34	General Fund--Federal Appropriation	\$281,988,000
35	TOTAL APPROPRIATION	\$288,306,000

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

1 (1) \$3,000,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$3,000,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided for state matching money for federal
4 child nutrition programs.

5 (2) \$100,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$100,000 of the 2011 fiscal year appropriation are
7 provided for summer food programs for children in low-income areas.

8 (3) \$59,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$59,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely to reimburse school districts for
11 school breakfasts served to students enrolled in the free or reduced
12 price meal program pursuant to chapter 287, Laws of 2005 (requiring
13 school breakfast programs in certain schools).

14 (4) \$1,588,000 of the general fund--federal appropriation of
15 American recovery and reinvestment act of 2009 (ARRA) funds is provided
16 solely for equipment assistance to school food authorities (SFAs)
17 participating in the national school lunch program (NSLP). Local SFAs
18 may apply to the office of the superintendent of public instruction to
19 receive grants in accordance with provisions of the ARRA. As
20 stipulated in the ARRA, priority will be given to SFAs for equipment
21 for schools in which at least 50 percent of the students are eligible
22 for free or reduced-priced meals.

23 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
24 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

25	General Fund--State Appropriation (FY 2010)	\$653,870,000
26	General Fund--State Appropriation (FY 2011)	\$668,789,000
27	General Fund--Federal Appropriation	\$656,052,000
28	Education Legacy Trust Account--State Appropriation	\$756,000
29	TOTAL APPROPRIATION	\$1,979,467,000

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

32 (1) Funding for special education programs is provided on an excess
33 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
34 that special education students as a class receive their full share of
35 the general apportionment allocation accruing through sections 502 and
36 504 of this act. To the extent a school district cannot provide an
37 appropriate education for special education students under chapter

1 28A.155 RCW through the general apportionment allocation, it shall
2 provide services through the special education excess cost allocation
3 funded in this section.

4 (2) The superintendent of public instruction shall ensure that:

5 (a) Special education students are basic education students first;

6 (b) As a class, special education students are entitled to the full
7 basic education allocation;

8 (c) Special education students are basic education students for the
9 entire school day; and

10 (d) All school districts continue to use the full cost method of
11 excess cost accounting.

12 (3) Each fiscal year appropriation includes such funds as are
13 necessary to complete the school year ending in the fiscal year and for
14 prior fiscal year adjustments.

15 (4) The superintendent of public instruction shall distribute state
16 funds to school districts based on two categories: (a) The first
17 category includes (i) children birth through age two who are eligible
18 for the optional program for special education eligible developmentally
19 delayed infants and toddlers, and (ii) students eligible for the
20 mandatory special education program and who are age three or four, or
21 five and not yet enrolled in kindergarten; and (b) the second category
22 includes students who are eligible for the mandatory special education
23 program and who are age five and enrolled in kindergarten and students
24 age six through 21.

25 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent
26 shall make allocations to each district based on the sum of:

27 (i) A district's annual average headcount enrollment of students
28 ages birth through four and those five year olds not yet enrolled in
29 kindergarten, as defined in subsection (4) of this section, multiplied
30 by the district's average basic education allocation per full-time
31 equivalent student, multiplied by 1.15; and

32 (ii) A district's annual average full-time equivalent basic
33 education enrollment multiplied by the funded enrollment percent
34 determined pursuant to subsection (6)(b) of this section, multiplied by
35 the district's average basic education allocation per full-time
36 equivalent student multiplied by 0.9309.

37 (b) For purposes of this subsection, "average basic education

1 allocation per full-time equivalent student" for a district shall be
2 based on the staffing ratios required by RCW 28A.150.260 and shall not
3 include enhancements, secondary vocational education, or small schools.

4 (6) The definitions in this subsection apply throughout this
5 section.

6 (a) "Annual average full-time equivalent basic education
7 enrollment" means the resident enrollment including students enrolled
8 through choice (RCW 28A.225.225) and students from nonhigh districts
9 (RCW 28A.225.210) and excluding students residing in another district
10 enrolled as part of an interdistrict cooperative program (RCW
11 28A.225.250).

12 (b) "Enrollment percent" means the district's resident special
13 education annual average enrollment, excluding the birth through age
14 four enrollment and those five year olds not yet enrolled in
15 kindergarten, as a percent of the district's annual average full-time
16 equivalent basic education enrollment.

17 Each district's general fund--state funded special education
18 enrollment shall be the lesser of the district's actual enrollment
19 percent or 12.7 percent.

20 (7) At the request of any interdistrict cooperative of at least 15
21 districts in which all excess cost services for special education
22 students of the districts are provided by the cooperative, the maximum
23 enrollment percent shall be calculated in accordance with subsection
24 (6)(b) of this section, and shall be calculated in the aggregate rather
25 than individual district units. For purposes of this subsection, the
26 average basic education allocation per full-time equivalent student
27 shall be calculated in the aggregate rather than individual district
28 units.

29 (8) To the extent necessary, \$73,668,000 of the general fund--state
30 appropriation and \$29,574,000 of the general fund--federal
31 appropriation are provided for safety net awards for districts with
32 demonstrated needs for special education funding beyond the amounts
33 provided in subsection (5) of this section. If the federal safety net
34 awards based on the federal eligibility threshold exceed the federal
35 appropriation in this subsection (8) in any fiscal year, the
36 superintendent shall expend all available federal discretionary funds
37 necessary to meet this need. Safety net funds shall be awarded by the

1 state safety net oversight committee subject to the following
2 conditions and limitations:

3 (a) The committee shall consider unmet needs for districts that can
4 convincingly demonstrate that all legitimate expenditures for special
5 education exceed all available revenues from state funding formulas.
6 In the determination of need, the committee shall also consider
7 additional available revenues from federal sources. Differences in
8 program costs attributable to district philosophy, service delivery
9 choice, or accounting practices are not a legitimate basis for safety
10 net awards. In the determination of need, the committee shall require
11 that districts demonstrate that they are maximizing their eligibility
12 for all state and federal revenues related to services for special
13 education-eligible students. Awards associated with (b) and (c) of
14 this subsection shall not exceed the total of a district's specific
15 determination of need.

16 (b) The committee shall then consider the extraordinary high cost
17 needs of one or more individual special education students.
18 Differences in costs attributable to district philosophy, service
19 delivery choice, or accounting practices are not a legitimate basis for
20 safety net awards.

21 (c) Using criteria developed by the committee, the committee shall
22 then consider extraordinary costs associated with communities that draw
23 a larger number of families with children in need of special education
24 services. The safety net awards to school districts shall be adjusted
25 to reflect amounts awarded under (b) of this subsection.

26 (d) The maximum allowable indirect cost for calculating safety net
27 eligibility may not exceed the federal restricted indirect cost rate
28 for the district plus one percent.

29 (e) Safety net awards must be adjusted for any audit findings or
30 exceptions related to special education funding.

31 (f) Safety net awards shall be adjusted based on the percent of
32 potential medicaid eligible students billed as calculated by the
33 superintendent in accordance with chapter 318, Laws of 1999. The state
34 safety net oversight committee shall ensure that safety net
35 documentation and awards are based on current medicaid revenue amounts.

36 (9) The superintendent of public instruction may adopt such rules
37 and procedures as are necessary to administer the special education

1 funding and safety net award process. Prior to revising any standards,
2 procedures, or rules, the superintendent shall consult with the office
3 of financial management and the fiscal committees of the legislature.

4 (10) The safety net oversight committee appointed by the
5 superintendent of public instruction shall consist of:

6 (a) One staff from the office of superintendent of public
7 instruction;

8 (b) Staff of the office of the state auditor who shall be nonvoting
9 members of the committee; and

10 (c) One or more representatives from school districts or
11 educational service districts knowledgeable of special education
12 programs and funding.

13 (11) The office of the superintendent of public instruction shall
14 review and streamline the application process to access safety net
15 funds, provide technical assistance to school districts, and annually
16 survey school districts regarding improvement to the process.

17 (12) A maximum of \$678,000 may be expended from the general fund--
18 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
19 full-time equivalent aides at children's orthopedic hospital and
20 medical center. This amount is in lieu of money provided through the
21 home and hospital allocation and the special education program.

22 (13) \$50,000 of the general fund--state appropriation for fiscal
23 year 2010, \$50,000 of the general fund--state appropriation for fiscal
24 year 2011, and \$100,000 of the general fund--federal appropriation
25 shall be expended to support a special education ombudsman program
26 within the office of superintendent of public instruction. The purpose
27 of the program is to provide support to parents, guardians, educators,
28 and students with disabilities. The program will provide information
29 to help families and educators understand state laws, rules, and
30 regulations, and access training and support, technical information
31 services, and mediation services. The ombudsman program will provide
32 data, information, and appropriate recommendations to the office of
33 superintendent of public instruction, school districts, educational
34 service districts, state need projects, and the parent and teacher
35 information center. Within the appropriations in this section there is
36 sufficient funding provided to also provide at least a half-time
37 support staff position for the special education ombudsman program.

1 (14) The superintendent shall maintain the percentage of federal
2 flow-through to school districts at 85 percent. In addition to other
3 purposes, school districts may use increased federal funds for high-
4 cost students, for purchasing regional special education services from
5 educational service districts, and for staff development activities
6 particularly relating to inclusion issues.

7 (15) The superintendent, consistent with federal IDEA
8 reauthorization, shall continue to educate school districts on how to
9 implement a birth-to-three program and review the cost effectiveness
10 and learning benefits of early intervention.

11 (16) A school district may carry over from one year to the next
12 year up to 10 percent of the general fund--state funds allocated under
13 this program; however, carryover funds shall be expended in the special
14 education program.

15 (17) \$221,357,000 of the general fund--federal appropriation of
16 American recovery and reinvestment act of 2009 funds is provided solely
17 for the individuals with disabilities education act (IDEA), Part B, for
18 distribution to school districts. The funds' use is to be consistent
19 with the current IDEA, Part B statutory and regulatory requirements.

20 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
21 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

22	General Fund--State Appropriation (FY 2010)	\$8,608,000
23	General Fund--State Appropriation (FY 2011)	\$8,609,000
24	TOTAL APPROPRIATION	\$17,217,000

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

27 (1) The educational service districts shall continue to furnish
28 financial services required by the superintendent of public instruction
29 and RCW 28A.310.190 (3) and (4).

30 (2) \$3,355,000 of the general fund--state appropriation in fiscal
31 year 2010 and \$3,355,000 of the general fund--state appropriation in
32 fiscal year 2011 are provided solely for regional professional
33 development related to mathematics and science curriculum and
34 instructional strategies. For each educational service district,
35 \$372,357 is provided in each fiscal year for professional development
36 activities related to mathematics and science curriculum and
37 instruction. Each educational service district shall use this funding

1 (1) Each general fund--state fiscal year appropriation includes
2 such funds as are necessary to complete the school year ending in the
3 fiscal year and for prior fiscal year adjustments.

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

9 (3) State funding for each institutional education program shall be
10 based on the institution's annual average full-time equivalent student
11 enrollment. Staffing ratios for each category of institution shall
12 remain the same as those funded in the 1995-97 biennium.

13 (4) The funded staffing ratios for education programs for juveniles
14 age 18 or less in department of corrections facilities shall be the
15 same as those provided in the 1997-99 biennium.

16 (5) \$329,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$329,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely to maintain at least one
19 certificated instructional staff and related support services at an
20 institution whenever the K-12 enrollment is not sufficient to support
21 one full-time equivalent certificated instructional staff to furnish
22 the educational program. The following types of institutions are
23 included: Residential programs under the department of social and
24 health services for developmentally disabled juveniles, programs for
25 juveniles under the department of corrections, and programs for
26 juveniles under the juvenile rehabilitation administration.

27 (6) Ten percent of the funds allocated for each institution may be
28 carried over from one year to the next.

29 NEW SECTION. **Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
30 **INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

31	General Fund--State Appropriation (FY 2010)	\$9,625,000
32	General Fund--State Appropriation (FY 2011)	\$9,682,000
33	TOTAL APPROPRIATION	\$19,307,000

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

36 (1) Each general fund fiscal year appropriation includes such funds

1 as are necessary to complete the school year ending in the fiscal year
2 and for prior fiscal year adjustments.

3 (2) Allocations for school district programs for highly capable
4 students shall be distributed at a maximum rate of \$411.81 per funded
5 student for the 2009-10 school year and \$411.81 per funded student for
6 the 2010-11 school year, exclusive of salary and benefit adjustments
7 pursuant to section 504 of this act. The number of funded students
8 shall be a maximum of 2.314 percent of each district's full-time
9 equivalent basic education enrollment.

10 (3) \$170,000 of the fiscal year 2010 appropriation and \$170,000 of
11 the fiscal year 2011 appropriation are provided for the centrum program
12 at Fort Worden state park.

13 (4) \$90,000 of the fiscal year 2010 appropriation and \$90,000 of
14 the fiscal year 2011 appropriation are provided for the Washington
15 destination imagination network and future problem-solving programs.

16 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
17 **INSTRUCTION--FOR MISCELLANEOUS PURPOSES UNDER THE ELEMENTARY AND**
18 **SECONDARY SCHOOL IMPROVEMENT ACT AND THE NO CHILD LEFT BEHIND ACT**

19 General Fund--Federal Appropriation \$43,450,000

20 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
21 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

22 General Fund--State Appropriation (FY 2010) \$95,247,000

23 General Fund--State Appropriation (FY 2011) \$104,651,000

24 General Fund--Federal Appropriation \$152,626,000

25 Education Legacy Trust Account--State Appropriation \$90,744,000

26 TOTAL APPROPRIATION \$443,268,000

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

29 (1) \$37,406,000 of the general fund--state appropriation for fiscal
30 year 2010, \$35,403,000 of the general fund--state appropriation for
31 fiscal year 2011, \$1,063,000 of the education legacy trust
32 account--state appropriation, and \$15,868,000 of the general fund--
33 federal appropriation are provided solely for development and
34 implementation of the Washington assessments of student learning
35 (WASL), including: (i) Development and implementation of retake
36 assessments for high school students who are not successful in one or

1 more content areas of the WASL; and (ii) development and implementation
2 of alternative assessments or appeals procedures to implement the
3 certificate of academic achievement. The superintendent of public
4 instruction shall report quarterly on the progress on development and
5 implementation of alternative assessments or appeals procedures.
6 Within these amounts, the superintendent of public instruction shall
7 contract for the early return of 10th grade student WASL results, on or
8 around June 10th of each year.

9 (2) \$3,249,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$3,249,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for end-of-course tests in math.

12 (3) \$70,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$70,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely for the second grade assessments.

15 (4) \$139,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$139,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for (a) staff at the office of the
18 superintendent of public instruction to coordinate and promote efforts
19 to develop integrated math, science, technology, and engineering
20 programs in schools and districts across the state; and (b) grants of
21 \$2,500 to provide twenty middle and high school teachers each year
22 professional development training for implementing integrated math,
23 science, technology, and engineering program in their schools.

24 (5) \$1,079,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$1,079,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for the Washington state
27 leadership assistance for science education reform (LASER) regional
28 partnership coordinated at the Pacific science center, including
29 instructional material purchases, teacher and principal professional
30 development, and school and community engagement events. Funding shall
31 be distributed to the various LASER activities in a manner proportional
32 to LASER program spending during the 2007-2009 biennium.

33 (6) \$81,030,000 of the education legacy trust account--state
34 appropriation is provided solely for grants for voluntary full-day
35 kindergarten at the highest poverty schools. The office of the
36 superintendent of public instruction shall provide allocations to
37 districts for recipient schools in accordance with the funding formulas
38 provided in section 502 of this act. Each kindergarten student who

1 enrolls for the voluntary full-day program in a recipient school shall
2 count as one-half of one full-time equivalent student for the purpose
3 of making allocations under this subsection. Although the allocations
4 are formula-driven, the office of the superintendent shall consider the
5 funding provided in this subsection as a fixed amount, and shall limit
6 the number of recipient schools so as to stay within the amounts
7 appropriated each fiscal year in this subsection. The funding provided
8 in this subsection is estimated to provide full-day kindergarten
9 programs for 20 percent of kindergarten enrollment in the 2009-10
10 school year and 20 percent of kindergarten enrollment in the 2010-11
11 school year. Funding priority shall be given to schools with the
12 highest poverty levels, as measured by prior year free and reduced
13 priced lunch eligibility rates in each school. Additionally, as a
14 condition of funding, school districts must agree to provide the
15 full-day program to the children of parents who request it in each
16 eligible school. For the purposes of calculating a school district
17 levy base, funding provided in this subsection shall be considered a
18 state block grant program under RCW 84.52.0531.

19 (a) Of the amounts provided in this subsection, a maximum of
20 \$272,000 may be used for administrative support of the full-day
21 kindergarten program within the office of the superintendent of public
22 instruction.

23 (b) Student enrollment pursuant to this program shall not be
24 included in the determination of a school district's overall K-12 FTE
25 for the allocation of student achievement programs and other funding
26 formulas unless specifically stated.

27 (7) \$700,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$700,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely for a leadership academy for
30 school principals and administrators. The superintendent of public
31 instruction shall contract with an independent organization to
32 implement a state-of-the-art education leadership academy that will be
33 accessible throughout the state. Semiannually the independent
34 organization shall report on amounts committed by foundations and
35 others to support the development and implementation of this program.
36 Leadership academy partners, with varying roles, shall include the
37 state level organizations for school administrators and principals, the

1 superintendent of public instruction, the professional educator
2 standards board, and others as the independent organization shall
3 identify.

4 (8) \$105,754,000 of the general fund--federal appropriation is
5 provided for preparing, training, and recruiting high quality teachers
6 and principals under Title II of the no child left behind act.

7 (9) \$4,046,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$4,046,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely to the office of the
10 superintendent of public instruction for focused assistance. The
11 office of the superintendent of public instruction shall conduct
12 educational audits of low-performing schools and enter into performance
13 agreements between school districts and the office to implement the
14 recommendations of the audit and the community. Each educational audit
15 shall include recommendations for best practices and ways to address
16 identified needs and shall be presented to the community in a public
17 meeting to seek input on ways to implement the audit and its
18 recommendations.

19 (10) \$30,702,000 of the general fund--federal appropriation is
20 provided for the reading first program under Title I of the no child
21 left behind act.

22 (11) \$1,667,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$1,667,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely to eliminate the lunch co-pay for
25 students in grades kindergarten through third grade that are eligible
26 for reduced price lunch.

27 (12) \$5,285,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$5,285,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely for: (a) The meals for kids
30 program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the
31 breakfast co-pay for students eligible for reduced price lunch; and (c)
32 for additional assistance for school districts initiating a summer food
33 service program.

34 (13)(a) \$28,021,000 of the general fund--state appropriation for
35 fiscal year 2010 and \$38,417,000 of the general fund--state
36 appropriation for fiscal year 2011 are provided solely for the
37 following bonuses for teachers who hold valid, unexpired certification

1 from the national board for professional teaching standards and who are
2 teaching in a Washington public school, subject to the following
3 conditions and limitations:

4 (i) For national board certified teachers, a bonus of \$5,319 per
5 teacher for fiscal year 2010, and \$5,325 for fiscal year 2011.
6 National board certified teachers who become public school principals
7 shall continue to receive this bonus for as long as they are principals
8 and maintain the national board certification;

9 (ii) An additional \$5,000 annual bonus shall be paid to national
10 board certified teachers who teach in either: (A) High schools where
11 at least 50 percent of student headcount enrollment is eligible for
12 federal free or reduced price lunch, (B) middle schools where at least
13 60 percent of student headcount enrollment is eligible for federal free
14 or reduced price lunch, or (C) elementary schools where at least 70
15 percent of student headcount enrollment is eligible for federal free or
16 reduced price lunch; and

17 (b) Included in the amounts provided in this subsection are amounts
18 for mandatory fringe benefits.

19 (14) \$1,133,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$1,133,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely to allow approved middle and
22 junior high school career and technical education programs to receive
23 enhanced vocational funding. The office of the superintendent of
24 public instruction shall provide grants to districts for middle and
25 junior high school students in accordance with the funding formulas
26 provided in section 502 of this act.

27 (15) \$2,750,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$2,750,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely for secondary career and technical
30 education grants pursuant to chapter 170, Laws of 2008.

31 (16) \$70,000 of the general fund--state appropriation for fiscal
32 year 2010 is provided solely for implementation of Engrossed Substitute
33 Senate Bill No. 5414 (relating to statewide assessments and curricula).
34 If the bill is not enacted by June 30, 2009, the amounts provided in
35 this subsection shall lapse.

36 (17) \$42,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$38,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided solely for implementation of Engrossed

1 Senate Bill No. 5714 (relating to conditional funding for teachers to
2 pursue national board for professional teaching standards
3 certification). If the bill is not enacted by June 30, 2009, the
4 amounts provided in this subsection shall lapse.

5 (18) The appropriations in this section are based upon savings
6 assumed from the implementation of Senate Bill No. 5498 (relating to
7 graduation without a certificate of academic achievement or a
8 certificate of individual achievement).

9 (19) \$3,594,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$3,594,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for readiness to learn.

12 (20) \$1,056,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$1,056,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely for reading corps.

15 (21) State grant funding for the 21st century after-school program
16 is suspended.

17 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
18 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

19	General Fund--State Appropriation (FY 2010)	\$79,997,000
20	General Fund--State Appropriation (FY 2011)	\$83,521,000
21	General Fund--Federal Appropriation	\$45,263,000
22	TOTAL APPROPRIATION	\$208,781,000

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

25 (1) Each general fund fiscal year appropriation includes such funds
26 as are necessary to complete the school year ending in the fiscal year
27 and for prior fiscal year adjustments.

28 (2) The superintendent shall distribute a maximum of \$930.26 per
29 eligible bilingual student in the 2009-10 school year and \$930.26 in
30 the 2010-11 school year, exclusive of salary and benefit adjustments
31 provided in section 504 of this act.

32 (3) The superintendent may withhold up to 1.5 percent of the school
33 year allocations to school districts in subsection (2) of this section,
34 and adjust the per eligible pupil rates in subsection (2) of this
35 section accordingly, solely for the central provision of assessments as
36 provided in RCW 28A.180.090 (1) and (2).

1 (4) \$70,000 of the amounts appropriated in this section are
2 provided solely to track current and former transitional bilingual
3 program students.

4 (5) The general fund--federal appropriation in this section is
5 provided for migrant education under Title I Part C and English
6 language acquisition, and language enhancement grants under Title III
7 of the elementary and secondary education act.

8 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
9 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

10	General Fund--State Appropriation (FY 2010)	\$103,808,000
11	General Fund--State Appropriation (FY 2011)	\$105,704,000
12	General Fund--Federal Appropriation	\$543,925,000
13	Education Legacy Trust Account--State Appropriation	\$47,980,000
14	TOTAL APPROPRIATION	\$801,417,000

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

17 (1) The general fund--state appropriations in this section are
18 subject to the following conditions and limitations:

19 (a) The appropriations include such funds as are necessary to
20 complete the school year ending in the fiscal year and for prior fiscal
21 year adjustments.

22 (b) Funding for school district learning assistance programs shall
23 be allocated at maximum rates of \$289.56 per funded student for the
24 2009-10 school year and \$290.55 per funded student for the 2010-11
25 school year exclusive of salary and benefit adjustments provided under
26 section 504 of this act.

27 (c) A school district's funded students for the learning assistance
28 program shall be the sum of the following as appropriate:

29 (i) The district's full-time equivalent enrollment in grades K-12
30 for the prior school year multiplied by the district's percentage of
31 October headcount enrollment in grades K-12 eligible for free or
32 reduced price lunch in the prior school year; and

33 (ii) If, in the prior school year, the district's percentage of
34 October headcount enrollment in grades K-12 eligible for free or
35 reduced price lunch exceeded forty percent, subtract forty percent from
36 the district's percentage and multiply the result by the district's K-

1 12 annual average full-time equivalent enrollment for the prior school
2 year.

3 (d) Within amounts appropriated in this section, funding is
4 provided for an additional amount to be allocated to school districts
5 with high concentrations of poverty and English language learner
6 students pursuant to chapter 328, Laws of 2008.

7 (2) \$365,019,000 of the general fund--federal appropriation in this
8 section is provided for Title I Part A allocations of the no child left
9 behind act of 2001.

10 (3) \$51,970,000 of the general fund--federal appropriation for
11 fiscal year 2010 and \$77,955,000 of the general fund--federal
12 appropriation for fiscal year 2011 of American recovery and
13 reinvestment act of 2009 (ARRA) Title I, Part A funds are in addition
14 to regular Title I, Part A allocations solely for allocation to
15 eligible school districts in accordance with the guidelines of ARRA.

16 (4) \$48,981,000 of the general fund--federal appropriation from the
17 American recovery and reinvestment act of 2009 (ARRA) is for school
18 improvement. This consists of 4 percent, or \$5,413,000, of the Title
19 I Part A recovery funds which must be set aside for school improvement
20 as well as \$43,568,000 in additional school improvement funds. At
21 least \$8,092,000 of the ARRA school improvement funds shall be used to
22 enhance the state's focused assistance program.

23 (5) Small school districts are encouraged to make the most
24 efficient use of the funding provided by using regional educational
25 service district cooperatives to hire staff, provide professional
26 development activities, and implement reading and mathematics programs
27 consistent with research-based guidelines provided by the office of the
28 superintendent of public instruction.

29 (6) A school district may carry over from one year to the next up
30 to 10 percent of the general fund--state or education legacy trust
31 funds allocated under this program; however, carryover funds shall be
32 expended for the learning assistance program.

33 (7) School districts are encouraged to coordinate the use of these
34 funds with other federal, state, and local sources to serve students
35 who are below grade level and to make efficient use of resources in
36 meeting the needs of students with the greatest academic deficits.

37 (8) Within amounts appropriated in this section, funding is
38 provided for the extended learning program to provide additional

1 instructional services for eligible students in grades eight, eleven,
2 and twelve during the regular school day, evenings, on weekends, or at
3 other times in order to meet the needs of these students pursuant to
4 chapter 328, Laws of 2008.

5 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
6 **INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM**

7	General Fund--State Appropriation (FY 2010)	\$32,290,000
8	General Fund--State Appropriation (FY 2011)	\$11,515,000
9	General Fund--Federal Appropriation	\$74,253,000
10	TOTAL APPROPRIATION	\$118,058,000

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

13 (1) Funding for school district student achievement programs shall
14 be allocated at a maximum rate of \$11.66 per FTE student for the 2009-
15 10 school year and \$11.69 per FTE student for the 2010-11 school year.
16 For the purposes of this section, FTE student refers to the annual
17 average full-time equivalent enrollment of the school district in
18 grades kindergarten through twelve for the prior school year, as
19 reported to the office of the superintendent of public instruction by
20 August 31st of the previous school year.

21 (2) \$74,253,000 of the general fund--federal appropriation from the
22 American recovery and reinvestment act of 2009 fiscal stabilization
23 funds is to be used solely to fund the state fiscal year 2010 costs of
24 school year 2008-09 student achievement fund commitments.

25 NEW SECTION. **Sec. 517. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR**
26 **ADJUSTMENTS.** State general fund and state student achievement fund

27 appropriations provided to the superintendent of public instruction for
28 state entitlement programs in the public schools in this part V of this
29 act may be expended as needed by the superintendent for adjustments to
30 apportionment for prior fiscal periods. Recoveries of state general
31 fund moneys from school districts and educational service districts for
32 a prior fiscal period shall be made as reductions in apportionment
33 payments for the current fiscal period and shall be shown as prior year
34 adjustments on apportionment reports for the current period. Such
35 recoveries shall not be treated as revenues to the state, but as a

1 reduction in the amount expended against the appropriation for the
2 current fiscal period.

3 NEW SECTION. **Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC**
4 **INSTRUCTION.** Appropriations made in this act to the office of
5 superintendent of public instruction shall be allotted initially as
6 required by this act. Subsequent allotment modifications shall not
7 include transfers of moneys between sections of this act.

(End of part)

PART VI
HIGHER EDUCATION

NEW SECTION. **Sec. 601.** The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the department of personnel for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(4) The colleges of education for institutions with appropriations in sections 606 through 611 shall develop a plan, by October 30, 2009, to increase the number of math and science teacher endorsements and certificates granted by the institution. The plan shall address the college's math and science teacher endorsement and certification completion goal for each of the next six years, beginning with the 2010-2011 academic year, and shall be reported to the governor, the relevant policy committees of the legislature, the higher education coordinating board (HECB) and the professional educator standards board (PESB). Plan components may address: Student advising practices, increase outreach and recruitment efforts to under-represented populations, linkages with university mathematics and science departments, and implementation of redesigned, innovative endorsement

1 and certification programs. To accomplish this work, enrollments may
2 need to be shifted from low-need endorsement and certificate areas to
3 math and science. A report shall be made each October 30th to the HECB
4 and PESB regarding the degree to which plan goals have been met and
5 activities undertaken to support those outcomes.

6 (5) Any salary increase provided by an institution of higher
7 education from nonstate sources shall not be included in the base used
8 to calculate future state-funded compensation adjustments.

9 (6) In accordance with RCW 28B.10.920 through 28B.10.922, the state
10 performance agreement committee and each public four-year institution
11 of higher education shall develop performance agreements for the period
12 September 1, 2009, through June 30, 2015. The agreements shall reflect
13 the level of state, tuition, and other resources appropriated or
14 authorized for each institution in this act and in the omnibus 2009-11
15 omnibus capital budget act, as well as reasonably anticipated changes
16 in such resources for the two subsequent biennia as required to
17 accomplish the higher education master plan as adopted by the
18 legislature. The agreements shall build upon each institution's actual
19 performance relative to the 2011 targets previously negotiated between
20 the institution, the higher education coordinating board, and the
21 office of financial management, and shall include measurable
22 performance targets, benchmarks, and goals in areas including but not
23 limited to:

24 (a) Student enrollment levels, by campus;

25 (b) Baccalaureate and advanced degree production;

26 (c) Baccalaureate and advanced degree production in high employer-
27 demand fields;

28 (d) Undergraduate retention and graduation rates;

29 (e) Time-to-degree for students entering as freshmen, and as upper-
30 division transfers;

31 (f) Efficiency to degree; and

32 (g) Capital investment as required to (i) maintain existing
33 capacity, and (ii) meet enrollment targets in accordance with the
34 master plan as adopted by the legislature.

35 Each institution shall report progress toward its performance targets
36 during the preceding academic year to the state performance agreement
37 committee prior to November 1, 2010. The higher education coordinating

1 board shall consolidate and summarize the institutional reports, and
2 provide them to the relevant policy and fiscal committees of the
3 legislature by December 1, 2010.

4 (7) To facilitate transparency and compliance with the American
5 recovery and reinvestment act, the institutions of higher education
6 receiving state and federal appropriations under sections 605 through
7 611 of this act shall allot anticipated state, federal, and tuition
8 expenditures by budget program and fiscal year. The office of
9 financial management shall notify the legislative ways and means
10 committees of the proposed allotments at least ten days prior to their
11 approval.

12 (8) To the extent permitted by the applicable personnel system
13 rules, and to the extent collectively bargained with represented
14 employees, institutions of higher education are encouraged to achieve
15 the reductions in full-time-equivalent employment and payroll levels
16 necessary to operate within this budget through strategies that will
17 minimize impacts on employees, their families, their communities, and
18 short- and longer-term accomplishment of institutional mission.
19 Institutions are encouraged to utilize strategies such as reduced work-
20 hours per day or week, voluntary leave without pay, and temporary
21 furloughs that enable employees to maintain permanent employment
22 status. Institutions are further encouraged to implement such
23 strategies in ways that will enable employees to maintain full
24 insurance benefits, full retirement service credit, and a living wage.

25 NEW SECTION. **Sec. 602.** (1) Within the funds appropriated in this
26 act, each institution of higher education is expected to enroll and
27 educate at least the following numbers of full-time equivalent state-
28 supported students per academic year:

29

	2009-10	2010-11
	Annual Average	Annual Average
32 University of Washington	38,348	38,348
33 Washington State University	22,250	22,250
34 Central Washington University	9,322	9,322
35 Eastern Washington University	9,184	9,184

1	The Evergreen State College	4,213	4,213
2	Western Washington University	12,089	12,089
3	State Board for Community &	140,237	139,237
4	Technical Colleges		

5 (2) In achieving or exceeding these enrollment targets, each
6 institution shall seek to:

7 (a) Maintain and to the extent possible increase enrollment
8 opportunities at branch campuses;

9 (b) Maintain and to the extent possible increase enrollment
10 opportunities at university centers and other partnership programs that
11 enable students to earn baccalaureate degrees on community college
12 campuses; and

13 (c) Eliminate and consolidate programs of study for which there is
14 limited student or employer demand, or that are not areas of core
15 academic strength for the institution, particularly when such programs
16 duplicate offerings by other in-state institutions.

17 (3) By September 1, 2009, each institution shall report to the
18 higher education committees and the relevant fiscal committees of the
19 legislature on its plans for achieving the objectives in this section.

20 (4) For purposes of monitoring and reporting statewide enrollment,
21 the University of Washington and Washington State University shall
22 notify the office of financial management of the number of full-time
23 student equivalent enrollments budgeted for each of their campuses.

24 NEW SECTION. **Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS.** In
25 order to operate within the state funds appropriated in this act, the
26 governing boards of the state research universities, the state regional
27 universities, and The Evergreen State College are authorized to adopt
28 and adjust tuition and fees for the 2009-10 and 2010-11 academic years
29 as provided in this section:

30 (1) Each governing board may increase the tuition fees, as defined
31 in RCW 28B.15.020, charged to resident undergraduate students by no
32 more than fourteen percent over the amounts charged to resident
33 undergraduate students for the prior academic year.

34 (2) Each governing board is authorized to increase tuition charges
35 to graduate and professional students, and to nonresident undergraduate

1 students, by amounts judged reasonable and necessary by the governing
2 board.

3 (3) Each governing board is authorized to increase summer quarter
4 or semester tuition fees for resident and nonresident undergraduate,
5 graduate, and professional students pursuant to RCW 28B.15.067.

6 (4) Each governing board is authorized to adopt or increase charges
7 for fee-based, self-sustaining degree programs, credit courses,
8 noncredit workshops and courses, and special contract courses by
9 amounts judged reasonable and necessary by the governing board.

10 (5) Each governing board is authorized to adopt or increase
11 services and activities fees for all categories of students as provided
12 in RCW 28B.15.069.

13 (6) Each governing board is authorized to adopt or increase
14 technology fees as provided in RCW 28B.15.069.

15 (7) Each governing board is authorized to adopt or increase special
16 course and lab fees, and health and counseling fees, to the extent
17 necessary to cover the reasonable and necessary exceptional cost of the
18 course or service.

19 (8) Each governing board is authorized to adopt or increase
20 administrative fees such as but not limited to those charged for
21 application, matriculation, special testing, and transcripts by amounts
22 judged reasonable and necessary by the governing board.

23 (9) In addition to the 3.5 percent of tuition and services and
24 activities fees used for institutional financial aid as required by RCW
25 28B.15.820, each governing board shall assure that at least one-seventh
26 of the additional tuition revenue that would otherwise be collected as
27 a result of resident undergraduate tuition increases in excess of seven
28 percent per year is used to provide additional financial aid to
29 resident undergraduate students. Each institution shall report to the
30 relevant policy and fiscal committees of the legislature by December 1,
31 2009, and again by December 1, 2010, demonstrating how it has modified
32 financial aid policies and practices during the current academic year
33 to accomplish this purpose.

34 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
35 **COLLEGES.** In order to operate within the state funds appropriated in
36 this act, the state board for community and technical colleges and the

1 trustees of the state's community and technical colleges are authorized
2 to adopt and adjust tuition and fees for the 2009-10 and 2010-11
3 academic years as provided in this section:

4 (1) The state board may increase the tuition fees charged to
5 resident undergraduate students by no more than seven percent over the
6 amounts charged to resident undergraduates during the prior academic
7 year. The board may increase tuition fees under this subsection
8 differentially based on student credit hour load, provided that the
9 overall increase in average tuition revenue per student does not exceed
10 five percent each year.

11 (2) The state board may increase the tuition fees charged to
12 resident undergraduates enrolled in upper division applied
13 baccalaureate programs by no more than seven percent over the amounts
14 charged during the prior academic year.

15 (3) The state board may increase the tuition fees charged to
16 nonresident students by amounts judged reasonable and necessary by the
17 board, but by no less than the percentage by which resident
18 undergraduate tuition is increased.

19 (4) The trustees of the technical colleges are authorized to either
20 (a) increase operating fees by no more than the percentage increases
21 authorized for community colleges by the state board; or (b) fully
22 adopt the tuition fee charge schedule adopted by the state board for
23 community colleges.

24 (5) For the 2009-10 academic year, the trustees of the technical
25 colleges are authorized to increase building fees by four cents per
26 clock hour and by sixty-two cents per credit hour. For the 2010-11
27 academic year, the trustees are authorized to increase building fees by
28 four cents per clock hour and by sixty-nine cents per credit hour. The
29 purpose of these increases is to progress toward parity with the
30 building fees charged students attending the community colleges.

31 (6) The state board is authorized to increase the maximum allowable
32 services and activities fee as provided in RCW 28B.15.096. The
33 trustees of the community and technical colleges are authorized to
34 increase services and activities fees up to the maximum level
35 authorized by the state board.

36 (7) The trustees of the community and technical colleges are
37 authorized to adopt or increase charges for fee-based, self-sustaining

1 programs such as summer session, international student contracts, and
2 special contract courses by amounts judged reasonable and necessary by
3 the trustees.

4 (8) The trustees of the community and technical colleges are
5 authorized to adopt or increase special course and lab fees to the
6 extent necessary to cover the reasonable and necessary exceptional cost
7 of the course or service.

8 (9) The trustees of the community and technical colleges are
9 authorized to adopt or increase administrative fees such as but not
10 limited to those charged for application, matriculation, special
11 testing, and transcripts by amounts judged reasonable and necessary by
12 the trustees.

13 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
14 **TECHNICAL COLLEGES**

15	General Fund--State Appropriation (FY 2010)	\$612,207,000
16	General Fund--State Appropriation (FY 2011)	\$648,402,000
17	General Fund--Federal Appropriation	\$40,072,000
18	Education Legacy Trust Account--State Appropriation	\$95,161,000
19	TOTAL APPROPRIATION	\$1,395,842,000

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

22 (1) \$28,761,000 of the general fund--state appropriation for fiscal
23 year 2010, \$28,761,000 of the general fund--state appropriation for
24 fiscal year 2011, and \$4,744,000 of the general fund--federal
25 appropriation are provided solely as special funds for training and
26 related support services, including financial aid, as specified in RCW
27 28C.04.390. Funding is provided to support at least 7,200 full-time
28 equivalent students in fiscal year 2010 and at least 6,200 full-time
29 equivalent students in fiscal year 2011.

30 (2) \$2,725,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$2,725,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for administration and customized
33 training contracts through the job skills program. The state board
34 shall make an annual report by January 1st of each year to the governor
35 and to the appropriate policy and fiscal committees of the legislature
36 regarding implementation of this section, listing the scope of grant

1 awards, the distribution of funds by educational sector and region of
2 the state, and the results of the partnerships supported by these
3 funds.

4 (3) \$2,900,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$4,100,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely to continue, expand, and improve
7 the board's student achievement initiative.

8 (4) When implementing the appropriations in this section, the state
9 board and the trustees of the individual community and technical
10 colleges shall minimize impact on academic programs, maximize
11 reductions in administration, and shall at least maintain, and endeavor
12 to increase, enrollment opportunities and degree and certificate
13 production in high employer-demand fields of study at their academic
14 year 2008-09 levels.

15 (5) Within the board's 2009-11 biennial budget allocation to
16 Bellevue Community College, and pursuant to RCW 28B.50.810, the college
17 may implement an additional applied baccalaureate degree in interior
18 design. This program is intended to provide students with additional
19 opportunities to earn baccalaureate degrees and to respond to emerging
20 job and economic growth opportunities. The program reviews and
21 approval decisions required by RCW 28B.50.810 (3) and (4) shall be
22 completed by July 31, 2009, so that the degree may be offered during
23 the 2009-10 academic year.

24 (6) In accordance with the recommendations of the higher education
25 coordinating board's 2008 *Kitsap region higher education center study*,
26 the state board shall facilitate development of university centers by
27 allocating thirty 2-year and 4-year partnership full-time enrollment
28 equivalencies to Olympic College. The college shall use the allocation
29 to establish a partnership with a baccalaureate university or
30 universities for delivery of upper division degree programs in the
31 Kitsap region. The Olympic and Peninsula Community College districts
32 shall additionally work together to ensure coordinated development of
33 these and other future baccalaureate opportunities through coordinated
34 needs assessment, planning, and scheduling.

35 (7) By September 1, 2009, the state board for community and
36 technical colleges, the higher education coordinating board, and the
37 office of financial management shall review and to the extent necessary
38 revise current 2009-11 performance targets based on the level of state,

1 tuition, and other resources appropriated or authorized in this act and
2 in the omnibus 2009-11 omnibus capital budget act. The current targets
3 for the 2010-11 academic year include:

4 (a) Increase the number of students who are prepared to transfer to
5 baccalaureate institutions to 19,400;

6 (b) Increase the number of students who earn professional or
7 technical certificates or degrees or who achieve industry skill
8 standards to 25,500;

9 (c) Increase the number of basic skills students who demonstrate
10 substantive skill gain to 23,800;

11 (d) Increase the percentage of students who have demonstrated an
12 intent to achieve an academic degree who have either transferred to a
13 four-year institution within three years, or who are continuing to
14 pursue academic studies at a community college.

15 The boards and the office of financial management shall additionally
16 develop new performance targets for the 2011-13 and the 2013-15 biennia
17 that will guide and measure the community and technical college
18 system's contributions to achievement of the state's higher education
19 master plan goals.

20 (8) \$2,250,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$2,250,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for the hospital employee
23 education and training program under which labor, management, and
24 college partnerships develop or expand and evaluate training programs
25 for incumbent hospital workers that lead to careers in nursing and
26 other high-demand health care occupations. The board shall report
27 student progress, outcomes, and costs to the relevant fiscal and policy
28 committees of the legislature by November 2009 and November 2010.

29 (9) Within the funds appropriated in this section, each community
30 and technical college, in close consultation with the faculty union,
31 shall develop a plan to convert teaching assignments so that by 2015 up
32 to 75 percent of academic teaching assignments are held by full-time,
33 tenure-track faculty. The plans shall include recommendations on a
34 process and cost estimates for faculty conversions at each college, as
35 well as part-time faculty job security strategies. The plans shall be
36 submitted to the state board by November 15, 2010. The state board
37 shall review, analyze, compile, and report system recommendations to
38 the legislature by December 1, 2010.

1 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

2	General Fund--State Appropriation (FY 2010)	\$282,448,000
3	General Fund--State Appropriation (FY 2011)	\$308,357,000
4	General Fund--Federal Appropriation	\$24,730,000
5	Education Legacy Trust Account--State Appropriation	\$54,333,000
6	Accident Account--State Appropriation	\$6,713,000
7	Medical Aid Account--State Appropriation	\$6,519,000
8	Biotoxin Account--State Appropriation	\$450,000
9	TOTAL APPROPRIATION	\$683,550,000

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

12 (1) In implementing the appropriations in this section, the
13 president and regents shall seek to minimize impacts on student
14 services and instructional programs by maximizing reductions in
15 administration and other non-instructional activities.

16 (2) Because higher education is an essential driver of economic
17 recovery and development, the university shall maintain, and endeavor
18 to increase, enrollment and degree production levels at or beyond their
19 academic year 2008-09 levels in the following high-demand fields:
20 Biological and biomedical sciences; computer and information sciences;
21 education with specializations in special education, math, or science;
22 engineering and engineering technology; health professions and related
23 clinical sciences; and mathematics and statistics.

24 (3) \$75,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$75,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for forestry research by the
27 Olympic natural resources center.

28 NEW SECTION. **Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

29	General Fund--State Appropriation (FY 2010)	\$183,188,000
30	General Fund--State Appropriation (FY 2011)	\$199,666,000
31	General Fund--Federal Appropriation	\$15,772,000
32	Education Legacy Trust Account--State Appropriation	\$34,700,000
33	TOTAL APPROPRIATION	\$433,326,000

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

36 (1) In implementing the appropriations in this section, the

1 president and regents shall seek to minimize impacts on student
2 services and instructional programs by maximizing reductions in
3 administration and other non-instructional activities.

4 (2) Because higher education is an essential driver of economic
5 recovery and development, the university shall maintain, and endeavor
6 to increase, enrollment and degree production levels at or beyond their
7 academic year 2008-09 levels in the following high-demand fields:
8 Biological and biomedical sciences; computer and information sciences;
9 education with specializations in special education, math, or science;
10 engineering and engineering technology; health professions and related
11 clinical sciences; and mathematics and statistics.

12 (3) When implementing reductions for fiscal year 2010 and fiscal
13 year 2011, Washington State University shall minimize reductions to
14 agriculture extension services. Agriculture extension includes:

15 (a) Faculty with extension appointments working within the
16 following departments in the college of agricultural, human, and
17 natural resource sciences with extension appointments: Animal
18 sciences, crop and soil sciences, entomology, horticulture, and plant
19 pathology;

20 (b) The portion of county extension educators' appointments
21 assigned to the "agricultural programs" area;

22 (c) Staff with extension appointments and extension operating
23 allocations located at the irrigated agriculture research and extension
24 center (Prosser), northwest Washington research and extension center
25 (Mt. Vernon), and tree fruit research and extension center (Wenatchee);
26 and

27 (d) Extension contributions to the center for precision
28 agricultural systems, center for sustaining agriculture and natural
29 resources, and the agriculture weather network.

30 **NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

31	General Fund--State Appropriation (FY 2010)	\$36,868,000
32	General Fund--State Appropriation (FY 2011)	\$42,704,000
33	General Fund--Federal Appropriation	\$5,522,000
34	Education Legacy Trust Account--State Appropriation	\$16,087,000
35	TOTAL APPROPRIATION	\$101,181,000

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

1 (1) In implementing the appropriations in this section, the
2 president and governing board shall seek to minimize impacts on student
3 services and instructional programs by maximizing reductions in
4 administration and other non-instructional activities.

5 (2) Because higher education is an essential driver of economic
6 recovery and development, the university shall maintain, and endeavor
7 to increase, enrollment and degree production levels at or beyond their
8 academic year 2008-09 levels in the following high-demand fields:
9 Biological and biomedical sciences; computer and information sciences;
10 education with specializations in special education, math, or science;
11 engineering and engineering technology; health professions and related
12 clinical sciences; and mathematics and statistics.

13 (3) At least \$200,000 of the general fund--state appropriation for
14 fiscal year 2010 and at least \$200,000 of the general fund--state
15 appropriation for fiscal year 2011 shall be expended on the northwest
16 autism center.

17 NEW SECTION. **Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

18	General Fund--State Appropriation (FY 2010)	\$34,236,000
19	General Fund--State Appropriation (FY 2011)	\$41,225,000
20	General Fund--Federal Appropriation	\$6,975,000
21	Education Legacy Trust Account--State Appropriation	\$19,076,000
22	TOTAL APPROPRIATION	\$101,512,000

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

25 (1) In implementing the appropriations in this section, the
26 president and governing board shall seek to minimize impacts on student
27 services and instructional programs by maximizing reductions in
28 administration and other non-instructional activities.

29 (2) Because higher education is an essential driver of economic
30 recovery and development, the university shall maintain, and endeavor
31 to increase, enrollment and degree production levels at or beyond their
32 academic year 2008-09 levels in the following high-demand fields:
33 Biological and biomedical sciences; computer and information sciences;
34 education with specializations in special education, math, or science;
35 engineering and engineering technology; health professions and related
36 clinical sciences; and mathematics and statistics.

1 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

2	General Fund--State Appropriation (FY 2010)	\$22,419,000
3	General Fund--State Appropriation (FY 2011)	\$22,179,000
4	General Fund--Federal Appropriation	\$2,366,000
5	Education Legacy Trust Account--State Appropriation	\$5,450,000
6	TOTAL APPROPRIATION	\$52,414,000

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

9 (1) In implementing the appropriations in this section, the
10 president and governing board shall seek to minimize impacts on student
11 services and instructional programs by maximizing reductions in
12 administration and other non-instructional activities.

13 (2) Because higher education is an essential driver of economic
14 recovery and development, the college shall maintain, and endeavor to
15 increase, enrollment and degree production levels at or beyond their
16 academic year 2008-09 levels in the following high-demand fields:
17 Biological and biomedical sciences; computer and information sciences;
18 education with specializations in special education, math, or science;
19 engineering and engineering technology; health professions and related
20 clinical sciences; and mathematics and statistics.

21 (3) At least \$100,000 of the general fund--state appropriation for
22 fiscal year 2010 and at least \$100,000 of the general fund--state
23 appropriation for fiscal year 2011 shall be expended on the labor
24 education and research center.

25 (4) \$100,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$100,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for the Washington state institute
28 for public policy to report to the legislature regarding efficient and
29 effective programs and policies. The report shall calculate the return
30 on investment to taxpayers from evidence-based prevention and
31 intervention programs and policies that influence crime, K-12 education
32 outcomes, child maltreatment, substance abuse, mental health, public
33 health, public assistance, employment, and housing. The institute for
34 public policy shall provide the legislature with a comprehensive list
35 of programs and policies that improve these outcomes for children and
36 adults in Washington and result in more cost-efficient use of public
37 resources. The institute shall submit interim reports by December 15,

1 2009, and October 1, 2010, and a final report by June 30, 2011. The
2 institute may receive additional funds from a private organization for
3 the purpose of conducting this study.

4 (5) To the extent federal or private funding is available for this
5 purpose, the Washington state institute for public policy and the
6 center for reinventing public education at the University of Washington
7 shall examine the relationship between participation in pension systems
8 and teacher quality and mobility patterns in the state. The department
9 of retirement systems shall facilitate researchers' access to necessary
10 individual-level data necessary to effectively conduct the study. The
11 researchers shall ensure that no individually identifiable information
12 will be disclosed at any time. An interim report on project findings
13 shall be completed by November 15, 2010, and a final report shall be
14 submitted to the governor and to the relevant committees of the
15 legislature by October 15, 2011.

16 (6) At least \$200,000 of the general fund--state appropriation for
17 fiscal year 2010 and at least \$200,000 of the general fund--state
18 appropriation for fiscal year 2011 shall be expended on the Washington
19 center for undergraduate education.

20 (7) \$15,000 of the general fund--state appropriation for fiscal
21 year 2010 is provided solely for the Washington state institute for
22 public policy to examine the need for and methods to increase the
23 availability of nonfood items, such as personal hygiene supplies,
24 soaps, paper products, and other items, to needy persons in the state.
25 The study shall examine existing private and public programs that
26 provide such products, and develop recommendations for the most cost-
27 effective incentives for private and public agencies to increase local
28 distribution outlets and local and regional networks of supplies. A
29 final report shall be delivered to the legislature and the governor by
30 December 1, 2009.

31 NEW SECTION. **Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

32	General Fund--State Appropriation (FY 2010)	\$46,089,000
33	General Fund--State Appropriation (FY 2011)	\$55,318,000
34	General Fund--Federal Appropriation	\$8,885,000
35	Education Legacy Trust Account--State Appropriation	\$13,036,000
36	TOTAL APPROPRIATION	\$123,328,000

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

3 (1) In implementing the appropriations in this section, the
4 president and governing board shall seek to minimize impacts on student
5 services and instructional programs by maximizing reductions in
6 administration and other non-instructional activities.

7 (2) Because higher education is an essential driver of economic
8 recovery and development, the university shall maintain, and endeavor
9 to increase, enrollment and degree production levels at or beyond their
10 academic year 2008-09 levels in the following high-demand fields:
11 Biological and biomedical sciences; computer and information sciences;
12 education with specializations in special education, math, or science;
13 engineering and engineering technology; health professions and related
14 clinical sciences; and mathematics and statistics.

15 NEW SECTION. **Sec. 612. FOR THE HIGHER EDUCATION COORDINATING**
16 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

17	General Fund--State Appropriation (FY 2010)	\$6,009,000
18	General Fund--State Appropriation (FY 2011)	\$5,878,000
19	General Fund--Federal Appropriation	\$4,361,000
20	TOTAL APPROPRIATION	\$16,248,000

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

23 (1) Within the funds appropriated in this section, the higher
24 education coordinating board shall complete a system design planning
25 project that defines how the current higher education delivery system
26 can be shaped and expanded over the next ten years to best meet the
27 needs of Washington citizens and businesses for high quality and
28 accessible post-secondary education. The board shall propose policies
29 and specific, fiscally feasible implementation recommendations to
30 accomplish the goals established in the *2008 strategic master plan for*
31 *higher education*. The project shall specifically address the roles,
32 missions, and instructional delivery systems both of the existing and
33 of proposed new components of the higher education system; the extent
34 to which specific academic programs should be expanded, consolidated,
35 or discontinued and how that would be accomplished; the utilization of
36 innovative instructional delivery systems and pedagogies to reach both
37 traditional and nontraditional students; and opportunities to

1 consolidate institutional administrative functions. The study
2 recommendations shall also address the proposed location, role,
3 mission, academic program, and governance of any recommended new
4 campus, institution, or university center. During the planning
5 process, the board shall inform and actively involve the chairs from
6 the senate and house of representatives committees on higher education,
7 or their designees. The board shall report the findings and
8 recommendations of this system design planning project to the governor
9 and the appropriate committees of the legislature by December 1, 2009.

10 (2) The higher education coordinating board, in coordination with
11 the research and regional colleges and universities, shall review
12 options and make recommendations with regard to providing further
13 flexibility and differentiation within Washington's current "flat rate"
14 public baccalaureate tuition system. Options to be examined include
15 higher tuition coupled with higher institutional need-based financial
16 aid; graduated tuition rates based on family income; differential
17 tuition rates by institutional mission, campus, and/or delivery method;
18 and differential tuition rates by academic program and/or course level.
19 Each option shall be assessed in terms of administrative feasibility;
20 interactions with and implications for state and federal financial aid
21 programs, including tax credits; impacts on the guaranteed education
22 tuition program; and impacts on students of different income levels.
23 The board shall report its findings and recommendations to the governor
24 and to the higher education and relevant fiscal committees of the
25 legislature by November 1, 2009.

26 NEW SECTION. **Sec. 613. FOR THE HIGHER EDUCATION COORDINATING**
27 **BOARD--FINANCIAL AID AND GRANT PROGRAMS**

28	General Fund--State Appropriation (FY 2010)	\$198,373,000
29	General Fund--State Appropriation (FY 2011)	\$208,691,000
30	General Fund--Federal Appropriation	\$13,138,000
31	Education Legacy Trust Account--State Appropriation	\$88,062,000
32	TOTAL APPROPRIATION	\$508,264,000

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

35 (1) \$182,596,000 of the general fund--state appropriation for
36 fiscal year 2010, \$205,094,000 of the general fund--state appropriation
37 for fiscal year 2011, \$46,340,000 of the education legacy trust account

1 appropriation for fiscal year 2010, \$33,850,000 of the education legacy
2 trust account appropriation for fiscal year 2011, and \$2,446,000 of the
3 general fund--federal appropriation are provided solely for student
4 financial aid payments under the state need grant; the state work study
5 program including up to a four percent administrative allowance; the
6 Washington scholars program; and the Washington award for vocational
7 excellence. State need grant, Washington award for vocational
8 excellence, and Washington scholars awards shall be adjusted to offset
9 the cost of the resident undergraduate tuition increases authorized
10 under this act.

11 (2)(a) Within the funds appropriated in this section, eligibility
12 for the state need grant shall include students with family incomes at
13 or below 70 percent of the state median family income (MFI), adjusted
14 for family size. Awards for all students shall be adjusted by the
15 estimated amount by which Pell grant increases exceed projected
16 increases in the noninstructional costs of attendance. Awards for
17 students with incomes between 51 and 70 percent of the state median
18 shall be prorated at the following percentages of the award amount
19 granted to those with incomes below 51 percent of the MFI: 75 percent
20 for students with family incomes between 51 and 65 percent MFI; and 50
21 percent for students with family incomes between 66 and 70 percent MFI.

22 (b) Grant awards for students at private four-year colleges shall
23 be set at the same level as the student would receive if attending one
24 of the public research universities.

25 (3) \$1,000,000 of the education legacy trust account--state
26 appropriation is provided solely to encourage more students to teach
27 secondary mathematics and science. \$500,000 of this amount is for the
28 future teacher scholarship and conditional loan program. \$500,000 of
29 this amount is provided to support state work study positions for
30 students to intern in secondary schools and classrooms.

31 (4) \$3,872,000 of the education legacy trust account--state
32 appropriation is provided solely for the passport to college
33 scholarship program. Funds are provided for student scholarships,
34 provider training, and for incentive payments to the colleges they
35 attend for individualized student support services which may include,
36 but are not limited to, college and career advising, counseling,
37 tutoring, costs incurred for students while school is not in session,
38 personal expenses, health insurance, and emergency services.

1 (5) Amounts provided in this section are sufficient to continue
2 Washington scholars awards and Washington awards for vocational
3 excellence under existing terms and conditions, adjusted for the
4 tuition increases authorized in this act, for all scholarships and
5 awards granted through the beginning of the 2009-10 academic year. No
6 new Washington scholars shall be named for the 2010-11 academic year.

7 (6) \$246,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$246,000 of the general fund--state appropriation for
9 fiscal year 2011 are for community scholarship matching grants and its
10 administration. To be eligible for the matching grant, nonprofit
11 groups organized under section 501(c)(3) of the federal internal
12 revenue code must demonstrate they have raised at least \$2,000 in new
13 moneys for college scholarships after the effective date of this
14 section. Groups may receive no more than one \$2,000 matching grant per
15 year and preference shall be given to groups affiliated with
16 scholarship America. Up to a total of \$46,000 per year of the amount
17 appropriated in this section may be awarded to a nonprofit community
18 organization to administer scholarship matching grants, with preference
19 given to an organization affiliated with scholarship America.

20 (7) \$500,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$500,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for state need grants provided to
23 students enrolled in three to five credit-bearing quarter credits, or
24 the equivalent semester credits. Total state expenditures on this
25 program shall not exceed the amounts provided in this subsection.

26 (8) \$115,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$115,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely to continue Washington's dues-
29 paying participation in the western interstate commission for higher
30 education.

31 NEW SECTION. **Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION**
32 **COORDINATING BOARD**

33	General Fund--State Appropriation (FY 2010)	\$1,635,000
34	General Fund--State Appropriation (FY 2011)	\$1,600,000
35	General Fund--Federal Appropriation	\$54,050,000
36	TOTAL APPROPRIATION	\$57,285,000

1 and Kitsap counties. The department shall use child care development
2 fund quality money for this purpose.

3 (3) \$1,700,000 of the general fund--federal appropriation is
4 provided solely for child care resource and referral network services.
5 The department shall use child care development fund quality set-aside
6 funding provided in the federal American recovery and reinvestment act
7 of 2009.

8 (4) The department is the lead agency for and recipient of the
9 federal child care and development fund grant. Amounts within this
10 grant shall be used to fund child care licensing, quality initiatives,
11 agency administration, and other costs associated with child care
12 subsidies. The department shall transfer a portion of this grant to
13 the department of social and health services to partially fund the
14 child care subsidies paid by the department of social and health
15 services on behalf of the department of early learning.

16 (5) The department shall use child care development fund money to
17 satisfy the federal audit requirement of the improper payments act
18 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent
19 on the audits will not count against the five percent state limit on
20 administrative expenditures.

21 (6) Within available amounts, the department in consultation with
22 the office of financial management and the department of social and
23 health services shall report quarterly enrollments and active caseload
24 for the working connections child care program to the legislative
25 fiscal committees. The report shall also identify the number of cases
26 participating in both temporary assistance for needy families and
27 working connections child care.

28 (7) The appropriations in this section reflect reductions in the
29 appropriations for the department's administrative expenses. It is the
30 intent of the legislature that these reductions shall be achieved, to
31 the greatest extent possible, by reducing those administrative costs
32 that do not affect direct client services or direct service delivery or
33 program.

34 **NEW SECTION. Sec. 617. FOR THE STATE SCHOOL FOR THE BLIND**

35	General Fund--State Appropriation (FY 2010)	\$6,138,000
36	General Fund--State Appropriation (FY 2011)	\$6,123,000
37	General Fund--Private/Local Appropriation	\$1,970,000

1 TOTAL APPROPRIATION \$14,231,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: \$135,000 of the general fund--
4 private/local appropriation for fiscal year 2010 and \$136,000 of the
5 general fund--private/local appropriation for fiscal year 2011 are
6 provided solely for the operation of a short course program. The
7 school for the blind shall provide this service to the extent it is
8 funded by contracts with school districts and educational service
9 districts.

10 NEW SECTION. **Sec. 618. FOR THE STATE SCHOOL FOR THE DEAF**

11 General Fund--State Appropriation (FY 2010) \$8,848,000
12 General Fund--State Appropriation (FY 2011) \$8,879,000
13 General Fund--Private/Local Appropriation \$526,000
14 TOTAL APPROPRIATION \$18,253,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: \$126,000 of the general fund--
17 private/local appropriation for fiscal year 2010 and \$84,000 of the
18 general fund--private/local appropriation for fiscal year 2011 are
19 provided solely for the operation of a shared reading video outreach
20 program. The school for the deaf shall provide this service to the
21 extent it is funded by contracts with school districts and educational
22 service districts.

23 NEW SECTION. **Sec. 619. FOR THE WASHINGTON STATE ARTS COMMISSION**

24 General Fund--State Appropriation (FY 2010) \$2,046,000
25 General Fund--State Appropriation (FY 2011) \$2,047,000
26 General Fund--Federal Appropriation \$1,620,000
27 General Fund--Private/Local Appropriation \$1,054,000
28 TOTAL APPROPRIATION \$6,767,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: It is the intent of the legislature that
31 the reductions in appropriations in this section shall be achieved, to
32 the greatest extent possible, by reducing those administrative costs
33 that do not affect direct client services or direct service delivery or
34 programs. The agency shall, to the greatest extent possible, reduce

1 spending in those areas that shall have the least impact on
2 implementing its mission.

3 NEW SECTION. **Sec. 620. FOR THE WASHINGTON STATE HISTORICAL**
4 **SOCIETY**

5	General Fund--State Appropriation (FY 2010)	\$2,631,000
6	General Fund--State Appropriation (FY 2011)	\$2,665,000
7	TOTAL APPROPRIATION	\$5,296,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: It is the intent of the legislature that
10 the reductions in appropriations in this section shall be achieved, to
11 the greatest extent possible, by reducing those administrative costs
12 that do not affect direct client services or direct service delivery or
13 programs. The agency shall, to the greatest extent possible, reduce
14 spending in those areas that shall have the least impact on
15 implementing its mission.

16 NEW SECTION. **Sec. 621. FOR THE EASTERN WASHINGTON STATE**
17 **HISTORICAL SOCIETY**

18	General Fund--State Appropriation (FY 2010)	\$1,635,000
19	General Fund--State Appropriation (FY 2011)	\$1,671,000
20	TOTAL APPROPRIATION	\$3,306,000

21 The appropriations in this section are subject to the following
22 conditions and limitations: It is the intent of the legislature that
23 the reductions in appropriations in this section shall be achieved, to
24 the greatest extent possible, by reducing those administrative costs
25 that do not affect direct client services or direct service delivery or
26 programs. The agency shall, to the greatest extent possible, reduce
27 spending in those areas that shall have the least impact on
28 implementing its mission.

(End of part)

PART VII

SPECIAL APPROPRIATIONS

NEW SECTION. **Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2010)	\$854,461,000
General Fund--State Appropriation (FY 2011)	\$897,826,000
State Building Construction Account--State	
Appropriation	\$11,707,000
Columbia River Basin Water Supply Development Account--	
State Appropriation	\$92,000
Hood Canal Aquatic Rehabilitation Bond Account--State	
Appropriation	\$11,000
State Taxable Building Construction Account--State	
Appropriation	\$1,136,000
Gardner-Evans Higher Education Construction Account--	
State Appropriation	\$260,000
Debt-Limit Reimbursable Bond Retirement Account--State	
Appropriation	\$2,619,000
TOTAL APPROPRIATION	\$1,768,112,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2010 shall be expended into the debt-limit general fund bond retirement account by June 30, 2010.

NEW SECTION. **Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

State Convention and Trade Center Account--State	
Appropriation	\$14,543,000
Accident Account--State Appropriation	\$5,171,000
Medical Aid Account--State Appropriation	\$5,171,000
TOTAL APPROPRIATION	\$24,885,000

1 NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT**
 2 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
 3 **GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

4	General Fund--State Appropriation (FY 2010)	\$26,463,000
5	General Fund--State Appropriation (FY 2011)	\$27,811,000
6	School Construction and Skill Centers Building	
7	Account--State Appropriation	\$477,000
8	Nondebt-Limit Reimbursable Bond Retirement Account--	
9	State Appropriation	\$141,507,000
10	TOTAL APPROPRIATION	\$196,258,000

11 The appropriations in this section are subject to the following
 12 conditions and limitations: The general fund appropriation is for
 13 expenditure into the nondebt-limit general fund bond retirement
 14 account. The entire general fund--state appropriation for fiscal year
 15 2010 shall be expended into the nondebt-limit general fund bond
 16 retirement account by June 30, 2010.

17 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
 18 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
 19 **BOND SALE EXPENSES**

20	General Fund--State Appropriation (FY 2010)	\$1,357,000
21	General Fund--State Appropriation (FY 2011)	\$1,357,000
22	State Building Construction Account--State	
23	Appropriation	\$1,273,000
24	Columbia River Basin Water Supply Development	
25	Account--State Appropriation	\$6,000
26	Hood Canal Aquatic Rehabilitation Bond Account--	
27	State Appropriation	\$1,000
28	State Taxable Building Construction Account--State	
29	Appropriation	\$72,000
30	Gardner-Evans Higher Education Construction	
31	Account--State Appropriation	\$18,000
32	School Construction and Skill Centers Building	
33	Account--State Appropriation	\$30,000
34	TOTAL APPROPRIATION	\$4,114,000

35 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

1 **FIRE CONTINGENCY**

2	General Fund--State Appropriation (FY 2010)	\$4,000,000
3	General Fund--State Appropriation (FY 2011)	\$4,000,000
4	TOTAL APPROPRIATION	\$8,000,000

5 The appropriations in this section are subject to the following
6 conditions and limitations: The appropriations are provided solely for
7 expenditure into the disaster response account.

8 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
9 **DISASTER RESPONSE ACCOUNT**

10	General Fund--State Appropriation (FY 2010)	\$14,558,000
11	General Fund--State Appropriation (FY 2011)	\$15,087,000
12	TOTAL APPROPRIATION	\$29,645,000

13 The appropriations in this section are subject to the following
14 conditions and limitations: The appropriations are provided solely for
15 expenditure into the disaster response account. \$5,000,000 of the
16 appropriation is provided for emergency fire suppression by the
17 department of natural resources.

18 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
19 **EMERGENCY FUND**

20	General Fund--State Appropriation (FY 2010)	\$850,000
21	General Fund--State Appropriation (FY 2011)	\$850,000
22	TOTAL APPROPRIATION	\$1,700,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: The appropriations in this section are for
25 the governor's emergency fund for the critically necessary work of any
26 agency.

27 NEW SECTION. **Sec. 708. FOR THE DEPARTMENT OF COMMUNITY, TRADE,**
28 **AND ECONOMIC DEVELOPMENT--COUNTY PUBLIC HEALTH ASSISTANCE**

29	General Fund--State Appropriation (FY 2010)	\$24,000,000
30	General Fund--State Appropriation (FY 2011)	\$24,000,000
31	TOTAL APPROPRIATION	\$48,000,000

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

1 community, trade, and economic development shall distribute the
 2 appropriations to the following counties and health districts in the
 3 amounts designated:

4

5	Health District	FY 2010	FY 2011	FY 2010-11
6				Biennium
7	Adams County Health District	\$30,951	\$30,951	\$61,902
8	Asotin County Health District	\$67,714	\$67,714	\$135,428
9	Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
10	Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522
11	Clallam County Health and Human Services Department	\$141,752	\$141,752	\$283,504
12	Southwest Washington Health District	\$1,084,473	\$1,084,473	\$2,168,946
13	Columbia County Health District	\$40,529	\$40,529	\$81,058
14	Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
15	Garfield County Health District	\$15,028	\$15,028	\$30,056
16	Grant County Health District	\$118,595	\$118,596	\$237,191
17	Grays Harbor Health Department	\$183,870	183,870	\$367,740
18	Island County Health Department	\$91,892	\$91,892	\$183,784
19	Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
20	Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
21	Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
22	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
23	Klickitat County Health Department	\$62,402	\$62,402	\$124,804
24	Lewis County Health Department	\$105,801	\$105,801	\$211,602
25	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
26	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
27	Okanogan County Health District	\$63,458	\$63,458	\$126,916
28	Pacific County Health Department	\$77,427	\$77,427	\$154,854
29	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
30	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
31	Skagit County Health Department	\$223,927	\$223,927	\$447,854
32	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
33	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
34	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
35	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
36	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545

1	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
2	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
3	Whitman County Health Department	\$78,733	\$78,733	\$157,466
4	Yakima Health District	\$623,797	\$623,797	\$1,247,594
5	TOTAL APPROPRIATIONS	\$24,000,000	\$24,000,000	\$48,000,000

6 NEW SECTION. **Sec. 709. BELATED CLAIMS.** The agencies and
7 institutions of the state may expend moneys appropriated in this act,
8 upon approval of the office of financial management, for the payment of
9 supplies and services furnished to the agency or institution in prior
10 fiscal biennia.

11 NEW SECTION. **Sec. 710. FOR THE DEPARTMENT OF RETIREMENT**
12 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS.**

13 The appropriations in this section are subject to the following
14 conditions and limitations: The appropriations for the law enforcement
15 officers' and firefighters' retirement system shall be made on a
16 monthly basis beginning July 1, 2009, consistent with chapter 41.45
17 RCW, and the appropriations for the judges and judicial retirement
18 systems shall be made on a quarterly basis consistent with chapters
19 2.10 and 2.12 RCW.

20 (1) There is appropriated for state contributions to the law
21 enforcement officers' and firefighters' retirement system:

22	General Fund--State Appropriation (FY 2010)	\$51,500,000
23	General Fund--State Appropriation (FY 2011)	\$54,300,000
24	TOTAL APPROPRIATION	\$105,800,000

25 (2) There is appropriated for contributions to the judicial
26 retirement system:

27	General Fund--State Appropriation (FY 2010)	\$11,570,000
28	General Fund--State Appropriation (FY 2011)	\$12,860,000
29	TOTAL APPROPRIATION	\$24,430,000

30 NEW SECTION. **Sec. 711. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
31 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

32	General Fund--State Appropriation (FY 2010)	\$8,000,000
33	General Fund--State Appropriation (FY 2011)	\$8,000,000
34	TOTAL APPROPRIATION	\$16,000,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The appropriations in this section are
3 provided solely for expenditure into the education technology revolving
4 account for the purpose of covering ongoing operational and equipment
5 replacement costs incurred by the K-20 educational network program in
6 providing telecommunication services to network participants.

7 NEW SECTION. **Sec. 712. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
8 **WATER POLLUTION CONTROL REVOLVING ACCOUNT**

9	General Fund--State Appropriation (FY 2010)	\$4,600,000
10	General Fund--State Appropriation (FY 2011)	\$4,600,000
11	TOTAL APPROPRIATION	\$9,200,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: The appropriations are provided solely for
14 expenditure into the water pollution control revolving account.

15 NEW SECTION. **Sec. 713. INCENTIVE SAVINGS--FY 2010.** The sum of
16 one hundred twenty-five million dollars or so much thereof as may be
17 available on June 30, 2010, from the total amount of unspent fiscal
18 year 2010 state general fund appropriations, exclusive of amounts
19 expressly placed into unallotted status by this act, is appropriated
20 for the purposes of RCW 43.79.460 in the manner provided in this
21 section.

22 (1) Of the total appropriated amount, one-half of that portion that
23 is attributable to incentive savings, not to exceed twenty-five million
24 dollars, is appropriated to the savings incentive account for the
25 purpose of improving the quality, efficiency, and effectiveness of
26 agency services, and credited to the agency that generated the savings.

27 (2) The remainder of the total amount, not to exceed one hundred
28 million dollars, is appropriated to the education savings account.

29 NEW SECTION. **Sec. 714. INCENTIVE SAVINGS--FY 2011.** The sum of
30 one hundred twenty-five million dollars or so much thereof as may be
31 available on June 30, 2011, from the total amount of unspent fiscal
32 year 2011 state general fund appropriations, exclusive of amounts
33 expressly placed into unallotted status by this act, is appropriated
34 for the purposes of RCW 43.79.460 in the manner provided in this
35 section.

1 (1) Of the total appropriated amount, one-half of that portion that
2 is attributable to incentive savings, not to exceed twenty-five million
3 dollars, is appropriated to the savings incentive account for the
4 purpose of improving the quality, efficiency, and effectiveness of
5 agency services, and credited to the agency that generated the savings.

6 (2) The remainder of the total amount, not to exceed one hundred
7 million dollars, is appropriated to the education savings account.

8 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
9 **COUNTY SUBSTANCE ABUSE PROGRAMS**

10 General Fund--State Appropriation (FY 2010) \$1,300,000

11 The appropriations in this section are subject to the following
12 conditions and limitations: The appropriations in this section are
13 provided solely for allocation to counties that are eligible for
14 funding for chemical dependency or substance abuse treatment programs
15 pursuant to RCW 70.96A.325.

16 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
17 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

18 General Fund--State Appropriation (FY 2010) \$1,185,000

19 The appropriation in this section is subject to the following
20 conditions and limitations: The director of financial management shall
21 distribute funds to Franklin county (\$126,832), Skagit county
22 (\$64,701), Yakima county (\$83,457), Spokane county (\$205,781), and King
23 county (\$704,229) for extraordinary criminal justice costs.

24 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
25 **SMALL AGENCY TECHNOLOGY POOL**

26 General Fund--State Appropriation (FY 2010) \$250,000

27 General Fund--State Appropriation (FY 2011) \$250,000

28 TOTAL APPROPRIATION \$500,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: The appropriations are provided solely for
31 expenditure into the data processing revolving account for the small
32 agency technology pool.

1 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
2 **CAPITOL BUILDING CONSTRUCTION ACCOUNT**
3 General Fund--State Appropriation (FY 2010) \$2,312,000
4 General Fund--State Appropriation (FY 2011) \$3,615,000
5 TOTAL APPROPRIATION \$5,927,000

6 The appropriations in this section are subject to the following
7 conditions and limitations: The appropriations are provided solely for
8 expenditure into the capitol building construction account.

9 NEW SECTION. **Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
10 **TRANSITIONAL HOUSING OPERATING AND RENT ACCOUNT**
11 General Fund--State Appropriation (FY 2010) \$5,000,000
12 General Fund--State Appropriation (FY 2011) \$5,000,000
13 TOTAL APPROPRIATION \$10,000,000

14 The appropriations in this section are subject to the following
15 conditions and limitations: The appropriations are provided solely for
16 expenditure into the transitional housing operating and rent account.

17 NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
18 **BUDGET STABILIZATION ACCOUNT**
19 Budget Stabilization Account--State Appropriation \$48,800,000

20 The appropriation in this section is subject to the following
21 conditions and limitations: The appropriation is provided solely for
22 expenditure into the state general fund.

23 NEW SECTION. **Sec. 721. FOR THE DEPARTMENT OF GENERAL**
24 **ADMINISTRATION--O'BRIEN BUILDING IMPROVEMENT**
25 General Fund--State Appropriation (FY 2010) \$1,435,000
26 General Fund--State Appropriation (FY 2011) \$1,435,000
27 TOTAL APPROPRIATION \$2,870,000

28 The appropriations in this section are subject to the following
29 conditions and limitations: The appropriations are provided solely to
30 the general administration for payment of principal, interest, and
31 financing expenses associated with the certificate of participation for
32 the O'Brien building improvement, project number (20081007).

1 NEW SECTION. **Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

2 **STATE EMPLOYEES--INSURANCE BENEFITS**

3	General Fund--State Appropriation (FY 2010)	\$17,857,000
4	General Fund--State Appropriation (FY 2011)	\$36,518,000
5	General Fund--Federal Appropriation	\$6,933,000
6	General Fund--Private/Local Appropriation	\$503,000
7	Dedicated Funds and Accounts Appropriation	\$9,676,000
8	TOTAL APPROPRIATION	\$71,487,000

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

11 (1) The appropriations in this section are provided solely to
12 increase agency and institution appropriations to reflect the increased
13 insurance premium rates specified in part 9 of this act.

14 (2) The office of financial management shall increase allotments
15 for all agencies and institutions by these amounts to reflect the
16 amounts identified in LEAP document SWM 6M - 2009, a computerized
17 tabulation developed by the legislative evaluation and accountability
18 program committee on March 25, 2009.

19 NEW SECTION. **Sec. 723. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

20 **STATE EMPLOYEES--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

21	General Fund--State Appropriation (FY 2010)	(\$51,903,000)
22	General Fund--State Appropriation (FY 2011)	(\$52,369,000)
23	General Fund--Federal Appropriation	(\$23,101,000)
24	General Fund--Private/Local Appropriation	(\$1,713,000)
25	Dedicated Funds and Accounts Appropriation	(\$33,539,000)
26	TOTAL APPROPRIATION	(\$163,181,000)

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

29 (1) The appropriations in this section are provided solely to
30 reduce agency and institution appropriations to reflect the retirement
31 system employer contribution rate changes specified in Substitute
32 Senate Bill No. 6161 (actuarial funding of pension systems).

33 (2) The office of financial management shall reduce allotments for
34 all agencies and institutions by these amounts to reflect the amounts
35 identified in LEAP document SWM Z9R - 2009, a computerized tabulation
36 developed by the legislative evaluation and accountability program

1 committee on April 15, 2009. The allotment reductions under this
2 section shall be placed in unallotted status and remain unexpended.

3 NEW SECTION. **Sec. 724. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
4 **STATE TRANSPORTATION EMPLOYEES--INSURANCE BENEFITS**

5 Dedicated Funds and Accounts Appropriation \$8,657,000

6 The appropriation in this section is subject to the following
7 conditions and limitations:

8 (1) The appropriation in this section is provided solely to
9 increase transportation agency appropriations to reflect the increased
10 insurance premium rates specified in part 9 of this act.

11 (2) The office of financial management shall increase allotments
12 for all agencies and institutions by these amounts to reflect the
13 amounts identified in LEAP document STC 6M - 2009, a computerized
14 tabulation developed by the legislative evaluation and accountability
15 program committee on March 25, 2009.

16 NEW SECTION. **Sec. 725. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
17 **STATE TRANSPORTATION EMPLOYEES--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

18 Dedicated Funds and Accounts Appropriation (\$32,162,000)

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

21 (1) The appropriation in this section is provided solely to reduce
22 transportation agency appropriations to reflect the retirement system
23 employer contribution rate changes specified in Substitute Senate Bill
24 No. 6161 (actuarial funding of pension systems).

25 (2) The office of financial management shall reduce allotments for
26 all transportation agencies by these amounts to reflect the amounts
27 identified in LEAP document STC Z9R - 2009, a computerized tabulation
28 developed by the legislative evaluation and accountability program
29 committee on April 15, 2009. The allotment reductions under this
30 section shall be placed in unallotted status and remain unexpended.

31 NEW SECTION. **Sec. 726. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
32 **SCHOOL EMPLOYEES--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

33 General Fund--State Appropriation (FY 2010) (\$135,472,000)

34 General Fund--State Appropriation (FY 2011) (\$170,122,000)

35 General Fund--Federal Appropriation (\$137,000)

1 TOTAL APPROPRIATION (\$305,731,000)

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

4 (1) The appropriations in this section are provided solely for
5 adjustments to allocations to reflect the retirement system employer
6 contribution rate changes specified in Senate Bill No. . . .
7 (retirement system funding).

8 (2) The office of financial management shall reduce allotments for
9 the office of the superintendent of public instruction by these
10 amounts. The allotment reductions under this section shall be placed
11 in unallotted status and remain unexpended.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Table with 2 columns: Description and Amount. Rows include General Fund Appropriation for fire insurance (\$8,268,000), public utility district excise tax distributions (\$50,504,000), prosecuting attorney distributions (\$6,281,000), boating safety and education distributions (\$4,854,000), other tax distributions (\$50,000), habitat conservation program distributions (\$3,000,000), Death Investigations Account (\$2,544,000), Aquatic Lands Enhancement Account (\$170,000), Timber Tax Distribution Account (\$69,288,000), County Criminal Justice Assistance (\$66,374,000), Municipal Criminal Justice Assistance (\$25,622,000), City-County Assistance Account (\$23,052,000), Liquor Excise Tax Account (\$50,950,000), Streamline Sales and Use Tax Account (\$65,038,000), Columbia River Water Delivery Account for Confederated Tribes (\$7,308,000), and Columbia River Water Delivery Account for Spokane Tribe (\$4,676,000).

1	Liquor Revolving Account Appropriation for liquor	
2	profits distribution	\$80,435,000
3	Liquor Revolving Account Appropriation for additional	
4	liquor profits distribution to local governments . . .	\$18,677,000
5	TOTAL APPROPRIATION	\$487,105,000

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

9 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
10 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

11	Impaired Driver Safety Account Appropriation	\$2,351,000
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12 The appropriation in this section is subject to the following
13 conditions and limitations: The amount appropriated in this section
14 shall be distributed quarterly during the 2009-11 biennium in
15 accordance with RCW 82.14.310. This funding is provided to counties
16 for the costs of implementing criminal justice legislation including,
17 but not limited to: Chapter 206, Laws of 1998 (drunk driving
18 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
19 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
20 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
21 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
22 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
23 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
24 215, Laws of 1998 (DUI provisions).

25 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--FOR THE**
26 **MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

27	Impaired Driver Safety Account Appropriation	\$1,543,000
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28 The appropriation in this section is subject to the following
29 conditions and limitations: The amount appropriated in this section
30 shall be distributed quarterly during the 2009-11 biennium to all
31 cities ratably based on population as last determined by the office of
32 financial management. The distributions to any city that substantially
33 decriminalizes or repeals its criminal code after July 1, 1990, and
34 that does not reimburse the county for costs associated with criminal
35 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in

1 which the city is located. This funding is provided to cities for the
2 costs of implementing criminal justice legislation including, but not
3 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
4 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
5 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
6 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
7 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
8 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
9 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
10 Laws of 1998 (DUI provisions).

11 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**
12 **FOR DISTRIBUTION**

13	General Fund Appropriation for federal flood control funds	
14	distribution	\$70,000
15	General Fund Appropriation for federal grazing fees	
16	distribution	\$2,296,000
17	Forest Reserve Fund Appropriation for federal forest	
18	reserve fund distribution	\$85,200,000
19	TOTAL APPROPRIATION	\$87,566,000

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

23 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS.**

24	Performance Audits of Government Account: For transfer	
25	to the state general fund for fiscal year 2010	\$15,000,000
26	State Treasurer's Service Account: For transfer to the	
27	state general fund, \$10,400,000 for fiscal year 2010 and	
28	\$10,400,000 for fiscal year 2011	\$20,800,000
29	Waste Reduction, Recycling and Litter Control Account: For	
30	transfer to the state general fund, \$2,000,000 for fiscal	
31	year 2010 and \$2,000,000 for fiscal year 2011	\$4,000,000
32	State Toxics Control Account: For transfer to the state	
33	general fund, \$15,340,000 for fiscal year 2010 and	
34	\$14,400,000 for fiscal year 2011	\$29,740,000
35	Local Toxics Control Account: For transfer to the state	
36	general fund, \$36,530,000 for fiscal year 2010 and	

1 \$36,530,000 for fiscal year 2011 \$73,060,000
2 Education Construction Account: For transfer to the state
3 general fund, \$91,150,000 for fiscal year 2010 and
4 \$91,150,000 for fiscal year 2011 \$182,300,000
5 Nisqually Earthquake Account: For transfer to the disaster
6 response account for fiscal year 2010 \$500,000
7 Drinking Water Assistance Account: For transfer to the
8 drinking water assistance repayment account \$28,600,000
9 Public Works Assistance Account: For transfer to the
10 drinking water assistance account, \$4,000,000 for
11 fiscal year 2010 and \$4,000,000 for fiscal
12 year 2011 \$8,000,000
13 Public Works Assistance Account: For transfer to the
14 city-county assistance account, \$5,000,000 on
15 July 1, 2009, and \$5,000,000 on July 1, 2010 \$10,000,000
16 Public Works Assistance Account: For transfer to the
17 state general fund, \$184,000,000 for fiscal year
18 2010 and \$184,000,000 for fiscal year 2011 \$368,000,000
19 Tobacco Settlement Account: For transfer to the state
20 general fund, in an amount not to exceed by more than
21 \$26,000,000 the actual amount of the annual base payment to
22 the tobacco settlement account \$207,351,000
23 Tobacco Settlement Account: For transfer to the life
24 sciences discovery fund, in an amount not to exceed
25 \$26,000,000 less than the strategic contribution
26 supplemental payment to the tobacco settlement
27 account \$35,098,000
28 Tobacco Prevention and Control Account: For transfer
29 to the state general fund for fiscal year 2010 \$800,000
30 General Fund: For transfer to the streamline sales and
31 use tax account, \$31,447,000 for fiscal year 2010 and
32 \$33,591,000 for fiscal year 2011 \$65,038,000
33 Energy Freedom Account: For transfer to the
34 general fund, \$3,000,000 for fiscal year
35 2010 and \$3,000,000 for fiscal year 2011 \$6,000,000
36 The Charitable, Educational, Penal, and Reformatory
37 Institutions Account: For transfer to the state
38 general fund, \$4,250,000 for fiscal year 2010 and

1 \$4,250,000 for fiscal year 2011 \$8,500,000
2 Thurston County Capital Facilities Account: For
3 transfer to the state general fund, \$4,194,000 for
4 fiscal year 2010 and \$4,194,000 for fiscal year
5 2011 \$8,388,000
6 State Forest Nursery Revolving Account: For transfer to the state
7 general fund, \$500,000 for fiscal year 2010 and \$200,000
8 for fiscal year 2011 \$700,000
9 State Emergency Water Projects Revolving Account: For transfer
10 to the state general fund, \$390,000 for fiscal
11 year 2011 \$390,000
12 Economic Development Strategic Reserve Account: For
13 transfer to the state general fund, \$3,250,000 for fiscal
14 year 2010 and \$3,250,000 for fiscal year 2011 \$6,500,000
15 Department of Retirement Systems Expense Account:
16 For transfer to the state general fund, \$1,500,000
17 for fiscal year 2011 \$1,500,000
18 Judicial Information System Account: For transfer to
19 the state general fund, \$2,500,000 for fiscal
20 year 2010 and \$2,500,000 for fiscal year 2011 \$5,000,000
21 State Convention and Trade Center Account: For transfer
22 to the state general fund, \$18,465,000 for fiscal
23 year 2010 and \$18,685,000 for fiscal year 2011 \$37,150,000
24 Liquor Revolving Account: For transfer to the state
25 general fund, \$30,000,000 for fiscal year 2010 and
26 \$30,000,000 for fiscal year 2011 \$60,000,000
27 Aquatic Lands Enhancement Account: For transfer to
28 the general fund, \$4,300,000 for fiscal year
29 2010 and \$4,300,000 for fiscal year 2011 \$8,600,000

(End of part)

1 (3) Each project will be planned and designed to take optimal
2 advantage of Internet technologies and protocols. Agencies shall
3 ensure that the project is in compliance with the architecture,
4 infrastructure, principles, policies, and standards of digital
5 government as maintained by the information services board.

6 (4) The agency shall produce a feasibility study for information
7 technology projects at the direction of the information services board
8 and in accordance with published department of information services
9 policies and guidelines. At a minimum, such studies shall include a
10 statement of: (a) The purpose or impetus for change; (b) the business
11 value to the agency, including an examination and evaluation of
12 benefits, advantages, and cost; (c) a comprehensive risk assessment
13 based on the proposed project's impact on both citizens and state
14 operations, its visibility, and the consequences of doing nothing; (d)
15 the impact on agency and statewide information infrastructure; and (e)
16 the impact of the proposed enhancements to an agency's information
17 technology capabilities on meeting service delivery demands.

18 (5) The agency shall produce a comprehensive management plan for
19 each project. The plan or plans shall address all factors critical to
20 successful completion of each project. The plan(s) shall include, but
21 is not limited to, the following elements: A description of the
22 problem or opportunity that the information technology project is
23 intended to address; a statement of project objectives and assumptions;
24 a definition and schedule of phases, tasks, and activities to be
25 accomplished; and the estimated cost of each phase. The planning for
26 the phased approach shall be such that the business case justification
27 for a project needs to demonstrate how the project recovers cost or
28 adds measurable value or positive cost benefit to the agency's business
29 functions within each development cycle.

30 (6) The agency shall produce quality assurance plans for
31 information technology projects. Consistent with the direction of the
32 information services board and the published policies and guidelines of
33 the department of information services, the quality assurance plan
34 shall address all factors critical to successful completion of the
35 project and successful integration with the agency and state
36 information technology infrastructure. At a minimum, quality assurance
37 plans shall provide time and budget benchmarks against which project
38 progress can be measured, a specification of quality assurance

1 responsibilities, and a statement of reporting requirements. The
2 quality assurance plans shall set out the functionality requirements
3 for each phase of a project.

4 (7) A copy of each feasibility study, project management plan, and
5 quality assurance plan shall be provided to the department of
6 information services, the office of financial management, and
7 legislative fiscal committees. The plans and studies shall demonstrate
8 a sound business case that justifies the investment of taxpayer funds
9 on any new project, an assessment of the impact of the proposed system
10 on the existing information technology infrastructure, the disciplined
11 use of preventative measures to mitigate risk, and the leveraging of
12 private-sector expertise as needed. Authority to expend any funds for
13 individual information systems projects is conditioned on the approval
14 of the relevant feasibility study, project management plan, and quality
15 assurance plan by the department of information services and the office
16 of financial management.

17 (8) Quality assurance status reports shall be submitted to the
18 department of information services, the office of financial management,
19 and legislative fiscal committees at intervals specified in the
20 project's quality assurance plan.

21 NEW SECTION. **Sec. 903. INFORMATION TECHNOLOGY ENTERPRISE**
22 **SERVICES.** Agencies may make use of the department of information
23 services when acquiring information technology services, products, and
24 assets.

25 "Information technology services" means the acquisition,
26 provisioning, or approval of hardware, software, and purchased or
27 personal services provided by the department of information services.

28 If an information technology enterprise service is provided by the
29 department, or an agency has a specific requirement to acquire
30 hardware, software, or purchased or personal services directly, the
31 agency shall consult with the department of information services.

32 NEW SECTION. **Sec. 904. VIDEO TELECOMMUNICATIONS.** The department
33 of information services shall act as lead agency in coordinating video
34 telecommunications services for state agencies. As lead agency, the
35 department shall develop standards and common specifications for leased
36 and purchased telecommunications equipment and assist state agencies in

1 developing a video telecommunications expenditure plan. No agency may
2 spend any portion of any appropriation in this act for new video
3 telecommunication equipment, new video telecommunication transmission,
4 or new video telecommunication programming, or for expanding current
5 video telecommunication systems without first complying with chapter
6 43.105 RCW, including but not limited to, RCW 43.105.041(2), and
7 without first submitting a video telecommunications expenditure plan,
8 in accordance with the policies of the department of information
9 services, for review and assessment by the department of information
10 services under RCW 43.105.052. Prior to any such expenditure by a
11 public school, a video telecommunications expenditure plan shall be
12 approved by the superintendent of public instruction. The office of
13 the superintendent of public instruction shall submit the plans to the
14 department of information services in a form prescribed by the
15 department. The office of the superintendent of public instruction
16 shall coordinate the use of video telecommunications in public schools
17 by providing educational information to local school districts and
18 shall assist local school districts and educational service districts
19 in telecommunications planning and curriculum development. Prior to
20 any such expenditure by a public institution of postsecondary
21 education, a telecommunications expenditure plan shall be approved by
22 the higher education coordinating board. The higher education
23 coordinating board shall coordinate the use of video telecommunications
24 for instruction and instructional support in postsecondary education,
25 including the review and approval of instructional telecommunications
26 course offerings.

27 NEW SECTION. **Sec. 905. PRINT ASSESSMENTS.** The department of
28 printing shall conduct print assessments of agencies in order to
29 identify opportunities for financial savings and efficiencies and to
30 eliminate redundancies and create consistencies in the printing of
31 state materials. When conducting a print assessment, agencies shall
32 work with the department of printing and provide the necessary
33 information in order for the department to assess costs related to
34 office convenience and production printing, in-house printing
35 facilities and related costs for services, equipment and supplies, and
36 third-party printing costs.

1 NEW SECTION. **Sec. 909. EMERGENCY FUND ALLOCATIONS.** Whenever
2 allocations are made from the governor's emergency fund appropriation
3 to an agency that is financed in whole or in part by other than general
4 fund moneys, the director of financial management may direct the
5 repayment of such allocated amount to the general fund from any balance
6 in the fund or funds which finance the agency. No appropriation shall
7 be necessary to effect such repayment.

8 NEW SECTION. **Sec. 910. STATUTORY APPROPRIATIONS.** In addition
9 to the amounts appropriated in this act for revenues for distribution,
10 state contributions to the law enforcement officers' and fire fighters'
11 retirement system plan 2, and bond retirement and interest including
12 ongoing bond registration and transfer charges, transfers, interest on
13 registered warrants, and certificates of indebtedness, there is also
14 appropriated such further amounts as may be required or available for
15 these purposes under any statutory formula or under chapters 39.94 and
16 39.96 RCW or any proper bond covenant made under law.

17 NEW SECTION. **Sec. 911. BOND EXPENSES.** In addition to such other
18 appropriations as are made by this act, there is hereby appropriated to
19 the state finance committee from legally available bond proceeds in the
20 applicable construction or building funds and accounts such amounts as
21 are necessary to pay the expenses incurred in the issuance and sale of
22 the subject bonds.

23 NEW SECTION. **Sec. 912. VOLUNTARY RETIREMENT INCENTIVES.** State
24 agencies, including institutions of higher education, may implement a
25 voluntary retirement incentive program for employees that results in
26 cost savings to the agency that exceed the amount of the incentive
27 payment. The program may be offered to any employee who has already
28 met the eligibility requirements for retirement or early retirement
29 under the state administered retirement plan in which the employee is
30 a member, and who retires as a result of the incentive payment. An
31 agency's incentive program may include, but is not limited to, payment
32 into a tax exempt medical expense plan. The cost of any incentive
33 payment must be recovered within two years of the incentive payment
34 through any combination of reduced expenditures on salaries, benefits,
35 leave cash-out and/or unemployment insurance costs. The agency's plan

1 is subject to approval and review by the office of financial management
2 and the department of retirement systems. An employee does not have a
3 contractual right to a financial incentive offered pursuant to this
4 section. Agencies participating in this authorization are required to
5 submit a report by June 30, 2011, to the legislature and the office of
6 financial management on the outcome of their approved retirement
7 incentive program. The report should include information on the
8 details of the program including any resulting service delivery
9 changes, agency efficiencies, the cost of the retirement incentive per
10 participant, the total cost to the agency, and the actual and projected
11 net dollar savings over the 2007-09, 2009-11, and future fiscal
12 biennia.

13 NEW SECTION. **Sec. 913. VOLUNTARY SEPARATION AND DOWNSHIFTING**
14 **INCENTIVES.** As a management tool to reduce costs and make more
15 effective use of resources, while improving employee productivity and
16 morale, agencies may implement voluntary separation and/or downshifting
17 incentive program that is cost neutral or results in cost savings,
18 provided that such a program is approved by the director of the office
19 of financial management. Agencies participating in this authorization
20 may offer voluntary separation and/or downshifting incentives and
21 options according to procedures established by the office of financial
22 management, in consultation with the department of personnel. The
23 options may include, but are not limited to: Voluntary separation,
24 voluntary leave-without-pay, voluntary workweek or work hour reduction,
25 voluntary downward movement, or temporary separation for development
26 purposes. An employee does not have a contractual right to a financial
27 incentive offered pursuant to this section. Offers shall be reviewed
28 and monitored jointly by the department of personnel and the department
29 of retirement systems. Agencies are required to submit a report by
30 June 30, 2011, to the legislature and the office of financial
31 management on the outcome of their approved incentive program. The
32 report shall include information on the details of the program,
33 including resulting service delivery changes, agency efficiencies, the
34 cost the incentives per participant, the total cost to the state, and
35 the projected or annual net dollar savings over the 2009-11 fiscal
36 biennium.

1 NEW SECTION. **Sec. 914. ADMINISTRATIVE REDUCTIONS.** (1) The

2 appropriations in this act reflect significant reductions in the
3 appropriations for the administrative expenses of state government. It
4 is the intent of the legislature that these reductions shall be
5 achieved, to the greatest extent possible, by reducing those
6 administrative costs that do not affect direct client services or
7 direct service delivery or programs.

8 (2) To the extent permitted by the applicable personnel system
9 rules, and to the extent collectively bargained with represented
10 employees where applicable, the agencies and institutions of state
11 government are encouraged to achieve the reductions in full-time-
12 equivalent employment and payroll levels necessary to operate within
13 these appropriations through strategies that will minimize impacts on
14 employees, their families, their communities, and short- and long-term
15 accomplishment of the agency's mission. Agencies are encouraged to use
16 strategies such as reduced work-hours per day or week, voluntary leave
17 without pay, and temporary furloughs that enable employees to maintain
18 permanent employment status. Agencies are further encouraged to
19 implement such strategies in ways that will enable employees to
20 maintain full insurance benefits, full accrual of retirement service
21 credit, and a living wage.

22 NEW SECTION. **Sec. 915. COMPENSATION--INSURANCE BENEFITS.**

23 Appropriations for state agencies in this act are sufficient for
24 nonrepresented and represented state employee health benefits for state
25 agencies, including institutions of higher education and are subject to
26 the following conditions and limitations:

27 (1)(a) The monthly employer funding rate for insurance benefit
28 premiums, public employees' benefits board administration, and the
29 uniform medical plan, shall not exceed \$745 per eligible employee for
30 fiscal year 2010. For fiscal year 2011 the monthly employer funding
31 rate shall not exceed \$768 per eligible employee.

32 (b) In order to achieve the level of funding provided for health
33 benefits, the public employees' benefits board shall require any or all
34 of the following: Employee premium copayments, increases in
35 point-of-service cost sharing, the implementation of managed
36 competition, or make other changes to benefits consistent with RCW
37 41.05.065. Except as provided in subsection (1)(c) of this section,

1 during the 2009-11 fiscal biennium, the board may only authorize
2 benefit plans and premium contributions for an employee and the
3 employee's dependents that are the same, regardless of an employee's
4 status as represented or nonrepresented under the personnel system
5 reform act of 2002.

6 (c) Collective bargaining agreements negotiated for the 2007-09
7 fiscal biennium as part of the super coalition under chapter 41.80 RCW
8 include employer contributions to health insurance premiums at 88
9 percent of the cost. In the absence of collective bargaining
10 agreements for the 2009-11 fiscal biennium, this distribution of costs
11 for super coalition represented employees continues until the end of
12 fiscal year 2010. If no new collective bargaining agreements governing
13 health care cost-sharing for super coalition or other represented
14 employees are implemented for the 2009-2011 fiscal biennium, to ensure
15 that represented employees whose contracts call for them to bear no
16 more than an average of 12 percent of the cost of health benefits do
17 not pay more than required by their contracts, during the first six
18 months of calendar year 2010 a rebate shall be provided to these
19 employees for any difference between the percentage of costs charged to
20 employees for health care and associated benefits between January 1,
21 2010, and June 30, 2010, and the cost-sharing amount allowed under
22 their contract.

23 (d) The health care authority shall deposit any moneys received on
24 behalf of the uniform medical plan as a result of rebates on
25 prescription drugs, audits of hospitals, subrogation payments, or any
26 other moneys recovered as a result of prior uniform medical plan claims
27 payments, into the public employees' and retirees' insurance account to
28 be used for insurance benefits. Such receipts shall not be used for
29 administrative expenditures.

30 (e) The conditions in this section apply to benefits for
31 nonrepresented employees, employees represented by the super coalition,
32 and represented employees outside of the super coalition, including
33 employees represented under chapter 47.64 RCW.

34 (2) The health care authority, subject to the approval of the
35 public employees' benefits board, shall provide subsidies for health
36 benefit premiums to eligible retired or disabled public employees and
37 school district employees who are eligible for medicare, pursuant to

1 RCW 41.05.085. From January 1, 2010, through December 31, 2010, the
2 subsidy shall be \$182.89. Starting January 1, 2011, the subsidy shall
3 be \$182.89 per month.

4 (3) Technical colleges, school districts, and educational service
5 districts shall remit to the health care authority for deposit into the
6 public employees' and retirees' insurance account established in RCW
7 41.05.120 the following amounts:

8 (a) For each full-time employee, \$59.59 per month beginning
9 September 1, 2009, and \$64.90 beginning September 1, 2010;

10 (b) For each part-time employee, who at the time of the remittance
11 is employed in an eligible position as defined in RCW 41.32.010 or
12 41.40.010 and is eligible for employer fringe benefit contributions for
13 basic benefits, \$59.59 each month beginning September 1, 2009, and
14 \$64.90 beginning September 1, 2010, prorated by the proportion of
15 employer fringe benefit contributions for a full-time employee that the
16 part-time employee receives. The remittance requirements specified in
17 this subsection shall not apply to employees of a technical college,
18 school district, or educational service district who purchase insurance
19 benefits through contracts with the health care authority.

20 NEW SECTION. **Sec. 916. COMPENSATION--REVISE PENSION CONTRIBUTION**
21 **RATES.** The appropriations for school districts and state agencies,
22 including institutions of higher education are subject to the following
23 conditions and limitations: Appropriations are adjusted to reflect
24 changes to agency appropriations to reflect savings resulting from
25 changes to pension funding as provided in Substitute Senate Bill No.
26 6161 (actuarial funding of pension systems). If the bill is not
27 enacted by June 30, 2009, this section shall lapse.

28 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENTS NOT**
29 **IMPAIRED.** Nothing in this act or chapter 5 (ESSB 5460), Laws of 2009
30 prohibits the expenditure of any funds by an agency or institution of
31 the state for benefits guaranteed by any collective bargaining
32 agreement in effect on the effective date of chapter 5, Laws of 2009
33 (February 18, 2009).

34 NEW SECTION. **Sec. 918. GAMBLING COMMISSION.** The state gambling

1 commission must take any actions that are necessary to ensure that its
2 rules and other interpretive statements are consistent with Senate Bill
3 No. 6152 (definition of gambling).

4 NEW SECTION. **Sec. 919. FIRST-TIME HOME BUYERS.** To accelerate
5 the receipt of federal tax credits for first-time home buyers provided
6 in the 2009 American recovery and relief act, the state housing finance
7 commission is authorized to obtain services from a qualified public
8 depository. The housing finance commission and the state treasurer are
9 further authorized to enter into an agreement with the selected public
10 depository to receive an off-setting deposit of up to \$25,000,000 in
11 state funds. The off-setting deposit shall be made at market rates.
12 Deposit can only be made from May 1, 2009, until the expiration of the
13 federal tax credit if an established account with a minimum value of
14 \$400,000, at least \$200,000 of which must be cash, exists to finance
15 first losses, and funds are used consistent with federal requirements.

16 **Sec. 920.** RCW 2.68.020 and 2005 c 282 s 11 are each amended to
17 read as follows:

18 There is created an account in the custody of the state treasurer
19 to be known as the judicial information system account. The
20 administrative office of the courts shall maintain and administer the
21 account, in which shall be deposited all moneys received from in-state
22 noncourt users and any out-of-state users of the judicial information
23 system and moneys as specified in RCW 2.68.040 for the purposes of
24 providing judicial information system access to noncourt users and
25 providing an adequate level of automated services to the judiciary.
26 The legislature shall appropriate the funds in the account for the
27 purposes of the judicial information system. The account shall be used
28 for the acquisition of equipment, software, supplies, services, and
29 other costs incidental to the acquisition, development, operation, and
30 administration of information services, telecommunications, systems,
31 software, supplies, and equipment, including the payment of principal
32 and interest on items paid in installments. During the 2009-2011
33 fiscal biennium, the legislature may transfer from the judicial
34 information system account to the state general fund such amounts as
35 reflect the excess fund balance of the account.

1 **Sec. 921.** RCW 28A.160.130 and 1991 c 114 s 2 are each amended to
2 read as follows:

3 (1) There is created a fund on deposit with each county treasurer
4 for each school district of the county, which shall be known as the
5 transportation vehicle fund. Money to be deposited into the
6 transportation vehicle fund shall include, but is not limited to, the
7 following:

8 (a) The balance of accounts held in the general fund of each school
9 district for the purchase of approved transportation equipment and for
10 major transportation equipment repairs under RCW 28A.150.280. The
11 amount transferred shall be the balance of the account as of September
12 1, 1982;

13 (b) Reimbursement payments provided for in RCW 28A.160.200 except
14 those provided under RCW 28A.160.200(~~(4)~~) (3) that are necessary for
15 contracted payments to private carriers;

16 (c) Earnings from transportation vehicle fund investments as
17 authorized in RCW 28A.320.300; and

18 (d) The district's share of the proceeds from the sale of
19 transportation vehicles, as determined by the superintendent of public
20 instruction.

21 (2) Funds in the transportation vehicle fund may be used for the
22 following purposes:

23 (a) Purchase of pupil transportation vehicles pursuant to RCW
24 28A.160.200 and 28A.150.280;

25 (b) Payment of conditional sales contracts as authorized in RCW
26 28A.335.200 or payment of obligations authorized in RCW 28A.530.080,
27 entered into or issued for the purpose of pupil transportation
28 vehicles;

29 (c) Major repairs to pupil transportation vehicles;

30 (d) For the 2009-2011 biennium, a school district that is wholly
31 contained on an island and has a student enrollment greater than two
32 hundred fifty students and fewer than five hundred and fifty students
33 may transfer from the transportation vehicle fund to the school
34 district's general fund such amounts as necessary for instructional
35 costs.

36 The superintendent of public instruction shall adopt rules which
37 shall establish the standards, conditions, and procedures governing the
38 establishment and use of the transportation vehicle fund. The rules

1 shall not permit the transfer of funds from the transportation vehicle
2 fund to any other fund of the district, except as provided under
3 subsection (2)(d) of this section.

4 **Sec. 922.** RCW 28A.500.030 and 2006 c 372 s 904 are each amended to
5 read as follows:

6 Allocation of state matching funds to eligible districts for local
7 effort assistance shall be determined as follows:

8 (1) Funds raised by the district through maintenance and operation
9 levies shall be matched with state funds using the following ratio of
10 state funds to levy funds:

11 (a) The difference between the district's twelve percent levy rate
12 and the statewide average twelve percent levy rate; to

13 (b) The statewide average twelve percent levy rate.

14 (2) The maximum amount of state matching funds for districts
15 eligible for local effort assistance shall be the district's twelve
16 percent levy amount, multiplied by the following percentage:

17 (a) The difference between the district's twelve percent levy rate
18 and the statewide average twelve percent levy rate; divided by

19 (b) The district's twelve percent levy rate.

20 (3) Calendar year 2003 allocations and maximum eligibility under
21 this chapter shall be multiplied by 0.99.

22 (4) From January 1, 2004, to December 31, 2005, allocations and
23 maximum eligibility under this chapter shall be multiplied by 0.937.

24 (5) From January 1, 2006, to December 31, 2006, allocations and
25 maximum eligibility under this chapter shall be multiplied by 0.9563.
26 Beginning with calendar year 2007, allocations and maximum eligibility
27 under this chapter shall be fully funded at one hundred percent and
28 shall not be reduced except as provided in this section.

29 (6) From January 1, 2010, through December 31, 2010, allocations
30 and maximum eligibility under this chapter shall be multiplied by
31 0.2596.

32 (7) From January 1, 2011, through December 31, 2011, allocations
33 and maximum eligibility under this chapter shall be multiplied by
34 0.2519.

35 **Sec. 923.** RCW 28B.76.660 and 2005 c 518 s 917 are each amended to
36 read as follows:

1 (1) Recipients of the Washington scholars award or the Washington
2 scholars-alternate award under RCW 28A.600.100 through 28A.600.150 who
3 choose to attend an independent college or university in this state, as
4 defined in subsection (4) of this section, and recipients of the award
5 named after June 30, 1994, who choose to attend a public college or
6 university in the state may receive grants under this section if moneys
7 are available. The higher education coordinating board shall
8 distribute grants to eligible students under this section from moneys
9 appropriated for this purpose. The individual grants shall not exceed,
10 on a yearly basis, the yearly, full-time, resident, undergraduate
11 tuition and service and activities fees in effect at the state-funded
12 research universities. Grants to recipients attending an independent
13 institution shall be contingent upon the institution matching on at
14 least a dollar-for-dollar basis, either with actual money or by a
15 waiver of fees, the amount of the grant received by the student from
16 the state. The higher education coordinating board shall establish
17 procedures, by rule, to disburse the awards as direct grants to the
18 students.

19 (2) The higher education coordinating board shall establish rules
20 that provide for the annual awarding of grants, if moneys are
21 available, to three Washington scholars per legislative district,
22 except for (~~fiscal year 2007~~) the academic year beginning in 2010
23 when no (~~more than two~~) new scholars (~~per district~~) shall be
24 selected; and, if not used by an original recipient, to the Washington
25 scholars-alternate from the same legislative district.

26 Beginning with scholars selected in the year 2000, if the
27 recipients of grants fail to demonstrate in a timely manner that they
28 will enroll in a Washington institution of higher education in the fall
29 term of the academic year following the award of the grant or are
30 deemed by the higher education coordinating board to have withdrawn
31 from college during the first academic year following the award, then
32 the grant shall be considered relinquished. The higher education
33 coordinating board may then award any remaining grant amounts to the
34 Washington scholars-alternate from the same legislative district if the
35 grants are awarded within one calendar year of the recipient being
36 named a Washington scholars-alternate. Washington scholars-alternates
37 named as recipients of the grant must also demonstrate in a timely
38 manner that they will enroll in a Washington institution of higher

1 education during the next available term, as determined by the higher
2 education coordinating board. The board may accept appeals and grant
3 waivers to the enrollment requirements of this section based on
4 exceptional mitigating circumstances of individual grant recipients.

5 To maintain eligibility for the grants, recipients must maintain a
6 minimum grade point average at the college or university equivalent to
7 3.30. Students shall be eligible to receive a maximum of twelve
8 quarters or eight semesters of grants for undergraduate study and may
9 transfer among in-state public and independent colleges and
10 universities during that period and continue to receive the grant as
11 provided under RCW 28B.76.665. If the student's cumulative grade point
12 average falls below 3.30 during the first three quarters or two
13 semesters, that student may petition the higher education coordinating
14 board which shall have the authority to establish a probationary period
15 until such time as the student's grade point average meets required
16 standards.

17 (3) No grant shall be awarded to any student who is pursuing a
18 degree in theology.

19 (4) As used in this section, "independent college or university"
20 means a private, nonprofit educational institution, the main campus of
21 which is permanently situated in the state, open to residents of the
22 state, providing programs of education beyond the high school level
23 leading at least to the baccalaureate degree, and accredited by the
24 northwest association of schools and colleges as of June 9, 1988, and
25 other institutions as may be developed that are approved by the higher
26 education coordinating board as meeting equivalent standards as those
27 institutions accredited under this section.

28 (5) As used in this section, "public college or university" means
29 an institution of higher education as defined in RCW 28B.10.016.

30 **Sec. 924.** RCW 28B.105.110 and 2008 c 329 s 908 are each amended to
31 read as follows:

32 (1) The GET ready for math and science scholarship account is
33 created in the custody of the state treasurer.

34 (2) The board shall deposit into the account all money received for
35 the GET ready for math and science scholarship program from
36 appropriations and private sources. The account shall be
37 self-sustaining.

1 (3) Expenditures from the account shall be used for scholarships to
2 eligible students and for purchases of GET units. Purchased GET units
3 shall be owned and held in trust by the board. Expenditures from the
4 account shall be an equal match of state appropriations and private
5 funds raised by the program administrator. During the ((2007-09))
6 2009-2011 fiscal biennium, expenditures from the account not to exceed
7 five percent may be used by the program administrator to carry out the
8 provisions of RCW 28B.105.090.

9 (4) With the exception of the operating costs associated with the
10 management of the account by the treasurer's office as authorized in
11 chapter 43.79A RCW, the account shall be credited with all investment
12 income earned by the account.

13 (5) Disbursements from the account are exempt from appropriations
14 and the allotment provisions of chapter 43.88 RCW.

15 (6) Disbursements from the account shall be made only on the
16 authorization of the board.

17 **Sec. 925.** RCW 35.104.060 and 2007 c 251 s 6 are each amended to
18 read as follows:

19 (1) The authority has all the general powers necessary to carry out
20 its purposes and duties and to exercise its specific powers, including
21 the authority may:

22 (a) Sue and be sued in its own name;

23 (b) Make and execute agreements, contracts, and other instruments,
24 with any public or private entity or person, in accordance with this
25 chapter;

26 (c) Employ, contract with, or engage independent counsel, financial
27 advisors, auditors, other technical or professional assistants, and
28 such other personnel as are necessary or desirable to implement this
29 chapter;

30 (d) Establish such special funds, and control deposits to and
31 disbursements from them, as it finds convenient for the implementation
32 of this chapter;

33 (e) Enter into contracts with public and private entities for
34 research to be conducted in this state;

35 (f) Delegate any of its powers and duties if consistent with the
36 purposes of this chapter;

1 (g) Exercise any other power reasonably required to implement the
2 purposes of this chapter; and

3 (h) Hire staff and pay administrative costs; however, such expenses
4 shall be paid from moneys provided by the sponsoring local government
5 and moneys received from gifts, grants, and bequests and the interest
6 earned on the authority's accounts and investments. During the 2009-
7 2011 fiscal biennium, up to ten percent of the amounts received under
8 RCW 82.14.480 may be used by a health services and sciences authority
9 for the purposes of subsections (1)(c) and (h) of this section.

10 (2) In addition to other powers and duties prescribed in this
11 chapter, the authority is empowered to:

12 (a) Use the authority's public moneys, leveraging those moneys with
13 amounts received from other public and private sources in accordance
14 with contribution agreements, to promote bioscience-based economic
15 development, and to advance new therapies and procedures to combat
16 disease and promote public health;

17 (b) Solicit and receive gifts, grants, and bequests, and enter into
18 contribution agreements with private entities and public entities to
19 receive moneys in consideration of the authority's promise to leverage
20 those moneys with the revenue generated by the tax authorized under RCW
21 82.14.480 and contributions from other public entities and private
22 entities, in order to use those moneys to promote bioscience-based
23 economic development and advance new therapies and procedures to combat
24 disease and promote public health;

25 (c) Hold funds received by the authority in trust for their use
26 pursuant to this chapter to promote bioscience-based economic
27 development and advance new therapies and procedures to combat disease
28 and promote public health;

29 (d) Manage its funds, obligations, and investments as necessary and
30 consistent with its purpose, including the segregation of revenues into
31 separate funds and accounts;

32 (e) Make grants to entities pursuant to contract to promote
33 bioscience-based economic development and advance new therapies and
34 procedures to combat disease and promote public health. Grant
35 agreements shall specify the deliverables to be provided by the
36 recipient pursuant to the grant. Grants to private entities may only
37 be provided under a contractual agreement that ensures the state will
38 receive appropriate consideration, such as an assurance of job creation

1 or retention, or the delivery of services that provide for the public
2 health, safety, and welfare. The authority shall solicit requests for
3 funding and evaluate the requests by reference to factors such as: (i)
4 The quality of the proposed research; (ii) its potential to improve
5 health outcomes, with particular attention to the likelihood that it
6 will also lower health care costs, substitute for a more costly
7 diagnostic or treatment modality, or offer a breakthrough treatment for
8 a particular disease or condition; (iii) its potential to leverage
9 additional funding; (iv) its potential to provide health care benefits;
10 (v) its potential to stimulate employment; and (vi) evidence of public
11 and private collaboration;

12 (f) Create one or more advisory boards composed of scientists,
13 industrialists, and others familiar with health sciences and services;
14 and

15 (g) Adopt policies and procedures to facilitate the orderly process
16 of grant application, review, and reward.

17 (3) The records of the authority shall be subject to audit by the
18 office of the state auditor.

19 **Sec. 926.** RCW 38.52.106 and 2008 c 329 s 909 are each amended to
20 read as follows:

21 The Nisqually earthquake account is created in the state treasury.
22 Moneys may be placed in the account from tax revenues, budget transfers
23 or appropriations, federal appropriations, gifts, or any other lawful
24 source. Moneys in the account may be spent only after appropriation.
25 Moneys in the account shall be used only to support state and local
26 government disaster response and recovery efforts associated with the
27 Nisqually earthquake. During the 2003-2005 fiscal biennium, the
28 legislature may transfer moneys from the Nisqually earthquake account
29 to the disaster response account for fire suppression and mobilization
30 costs. During the 2007-2009 fiscal biennium, moneys in the account may
31 also be used to support disaster response and recovery efforts
32 associated with flood and storm damage. During the 2009-2011 fiscal
33 biennium, the legislature may transfer moneys from the Nisqually
34 earthquake account to the disaster response account for disaster
35 response and recovery efforts associated with flood and storm damage.

1 **Sec. 927.** RCW 41.04.276 and 2005 c 24 s 1 are each amended to read
2 as follows:

3 (1) The select committee on pension policy is created. The select
4 committee consists of:

5 (a) Four members of the senate appointed by the president of the
6 senate, two of whom are members of the majority party and two of whom
7 are members of the minority party. At least three of the appointees
8 shall be members of the senate ways and means committee;

9 (b) Four members of the house of representatives appointed by the
10 speaker, two of whom are members of the majority party and two of whom
11 are members of the minority party. At least three of the appointees
12 shall be members of the house of representatives appropriations
13 committee;

14 (c) Four active members or representatives from organizations of
15 active members of the state retirement systems appointed by the
16 governor for staggered three-year terms, with no more than two
17 appointees representing any one employee retirement system;

18 (d) Two retired members or representatives of retired members'
19 organizations of the state retirement systems appointed by the governor
20 for staggered three-year terms, with no two members from the same
21 system;

22 (e) Four employer representatives of members of the state
23 retirement systems appointed by the governor for staggered three-year
24 terms; and

25 (f) The directors of the department of retirement systems and
26 office of financial management.

27 (2)(a) The term of office of each member of the house of
28 representatives or senate serving on the committee runs from the close
29 of the session in which he or she is appointed until the close of the
30 next regular session held in an odd-numbered year. If a successor is
31 not appointed during a session, the member's term continues until the
32 member is reappointed or a successor is appointed. The term of office
33 for a committee member who is a member of the house of representatives
34 or the senate who does not continue as a member of the senate or house
35 of representatives ceases upon the convening of the next session of the
36 legislature during the odd-numbered year following the member's
37 appointment, or upon the member's resignation, whichever is earlier.

1 All vacancies of positions held by members of the legislature must be
2 filled from the same political party and from the same house as the
3 member whose seat was vacated.

4 (b) Following the terms of members and representatives appointed
5 under subsection (1)(d) of this section, the retiree positions shall be
6 rotated to ensure that each system has an opportunity to have a retiree
7 representative on the committee.

8 (3) The committee shall elect a chairperson and a vice-chairperson.
9 The chairperson shall be a member of the senate in even-numbered years
10 and a member of the house of representatives in odd-numbered years and
11 the vice-chairperson shall be a member of the house of representatives
12 in even-numbered years and a member of the senate in odd-numbered
13 years.

14 (4) The committee shall establish an executive committee of six
15 members, including the chairperson, the vice-chairperson, one member
16 from subsection (1)(c) of this section, one member from subsection
17 (1)(d) of this section, one member from subsection (1)(e) of this
18 section, and the director of the department of retirement systems.

19 (5) Nonlegislative members of the select committee serve without
20 compensation, but shall be reimbursed for travel expenses under RCW
21 43.03.050 and 43.03.060.

22 (6) The office of state actuary under chapter 44.44 RCW shall
23 provide staff and technical support to the committee.

24 (7) During the 2009-2011 fiscal biennium, in order to conserve
25 public resources, the activities of the select committee on pension
26 policy are suspended.

27 **Sec. 928.** RCW 41.45.110 and 2007 c 280 s 6 are each amended to
28 read as follows:

29 The pension funding council shall solicit and administer a biennial
30 actuarial audit of the preliminary and final actuarial valuations used
31 for employer and member rate-setting purposes. This audit will be
32 conducted concurrent with the actuarial valuation performed by the
33 state actuary. At least once in each six-year period, the pension
34 funding council shall solicit and administer an actuarial audit of the
35 results of the experience study required in RCW 41.45.090. Except
36 during the 2009-2011 fiscal biennium, upon receipt of the results of
37 the preliminary actuarial audits required by this section, and at least

1 thirty days prior to adopting contribution rates, the pension funding
2 council shall submit the results to the select committee on pension
3 policy.

4 **Sec. 929.** RCW 41.48.060 and 1991 sp.s. c 13 s 112 are each amended
5 to read as follows:

6 (1) There is hereby established a special account in the state
7 treasury to be known as the OASI contribution account. Such account
8 shall consist of and there shall be deposited in such account: (a) All
9 contributions and penalties collected under RCW 41.48.040 and
10 41.48.050; (b) all moneys appropriated thereto under this chapter; (c)
11 any property or securities belonging to the account; and (d) all sums
12 recovered upon the bond of the custodian or otherwise for losses
13 sustained by the account and all other moneys received for the account
14 from any other source. All moneys in the account shall be mingled and
15 undivided. Subject to the provisions of this chapter, the governor is
16 vested with full power, authority and jurisdiction over the account,
17 including all moneys and property or securities belonging thereto, and
18 may perform any and all acts whether or not specifically designated,
19 which are necessary to the administration thereof and are consistent
20 with the provisions of this chapter. During the 2009-2011 fiscal
21 biennium, moneys in the OASI contribution account may also be
22 transferred into the OASI revolving fund.

23 (2) The OASI contribution account shall be established and held
24 separate and apart from any other funds of the state and shall be used
25 and administered exclusively for the purpose of this chapter.
26 Withdrawals from such account shall be made for, and solely for (a)
27 payment of amounts required to be paid to the secretary of the treasury
28 pursuant to an agreement entered into under RCW 41.48.030; (b) payment
29 of refunds provided for in RCW 41.48.040(3); and (c) refunds of
30 overpayments, not otherwise adjustable, made by a political subdivision
31 or instrumentality.

32 (3) From the OASI contribution account the custodian of the fund
33 [account] shall pay to the secretary of the treasury such amounts and
34 at such time or times as may be directed by the governor in accordance
35 with any agreement entered into under RCW 41.48.030 and the social
36 security act.

1 (4) The treasurer of the state shall be ex officio treasurer and
2 custodian of the OASI contribution account and shall administer such
3 account in accordance with the provisions of this chapter and the
4 directions of the governor and shall pay all warrants drawn upon it in
5 accordance with the provisions of this section and with the regulations
6 as the governor may prescribe pursuant thereto.

7 **Sec. 930.** RCW 41.50.110 and 2008 c 329 s 911 are each amended to
8 read as follows:

9 (1) Except as provided by RCW 41.50.255 and subsection (6) of this
10 section, all expenses of the administration of the department, the
11 expenses of administration of the retirement systems, and the expenses
12 of the administration of the office of the state actuary created in
13 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43,
14 and 44.44 RCW shall be paid from the department of retirement systems
15 expense fund.

16 (2) In order to reimburse the department of retirement systems
17 expense fund on an equitable basis the department shall ascertain and
18 report to each employer, as defined in RCW 41.26.030, 41.32.010,
19 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its
20 proportional share of the entire expense of the administration of the
21 retirement system that the employer participates in during the ensuing
22 biennium or fiscal year whichever may be required. Such sum is to be
23 computed in an amount directly proportional to the estimated entire
24 expense of the administration as the ratio of monthly salaries of the
25 employer's members bears to the total salaries of all members in the
26 entire system. It shall then be the duty of all such employers to
27 include in their budgets or otherwise provide the amounts so required.

28 (3) The department shall compute and bill each employer, as defined
29 in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the
30 end of each month for the amount due for that month to the department
31 of retirement systems expense fund and the same shall be paid as are
32 its other obligations. Such computation as to each employer shall be
33 made on a percentage rate of salary established by the department.
34 However, the department may at its discretion establish a system of
35 billing based upon calendar year quarters in which event the said
36 billing shall be at the end of each such quarter.

1 (4) The director may adjust the expense fund contribution rate for
2 each system at any time when necessary to reflect unanticipated costs
3 or savings in administering the department.

4 (5) An employer who fails to submit timely and accurate reports to
5 the department may be assessed an additional fee related to the
6 increased costs incurred by the department in processing the deficient
7 reports. Fees paid under this subsection shall be deposited in the
8 retirement system expense fund.

9 (a) Every six months the department shall determine the amount of
10 an employer's fee by reviewing the timeliness and accuracy of the
11 reports submitted by the employer in the preceding six months. If
12 those reports were not both timely and accurate the department may
13 prospectively assess an additional fee under this subsection.

14 (b) An additional fee assessed by the department under this
15 subsection shall not exceed fifty percent of the standard fee.

16 (c) The department shall adopt rules implementing this section.

17 (6) Expenses other than those under RCW 41.34.060(3) shall be paid
18 pursuant to subsection (1) of this section.

19 (7) During the 2007-2009 and 2009-2011 fiscal (~~(biennium)~~) biennia,
20 the legislature may transfer from the department of retirement systems'
21 expense fund to the state general fund such amounts as reflect the
22 excess fund balance of the fund.

23 **Sec. 931.** RCW 43.08.190 and 2008 c 329 s 912 are each amended to
24 read as follows:

25 There is hereby created a fund within the state treasury to be
26 known as the "state treasurer's service fund." Such fund shall be used
27 solely for the payment of costs and expenses incurred in the operation
28 and administration of the state treasurer's office.

29 Moneys shall be allocated monthly and placed in the state
30 treasurer's service fund equivalent to a maximum of one percent of the
31 trust and treasury average daily cash balances from the earnings
32 generated under the authority of RCW 43.79A.040 and 43.84.080 other
33 than earnings generated from investment of balances in funds and
34 accounts specified in RCW 43.79A.040 or 43.84.092(4). The allocation
35 shall precede the distribution of the remaining earnings as prescribed
36 under RCW 43.79A.040 and 43.84.092. The state treasurer shall

1 establish a uniform allocation rate based on the appropriations for the
2 treasurer's office.

3 During the ((2007-2009)) 2009-2011 fiscal biennium, the legislature
4 may transfer from the state treasurer's service fund to the state
5 general fund such amounts as reflect the excess fund balance of the
6 fund.

7 **Sec. 932.** RCW 43.09.475 and 2006 c 1 s 5 are each amended to read
8 as follows:

9 The performance audits of government account is hereby created in
10 the custody of the state treasurer. Revenue identified in RCW
11 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money
12 in the account shall be used to fund the performance audits and follow-
13 up performance audits under RCW 43.09.470 and shall be expended by the
14 state auditor in accordance with chapter 1, Laws of 2006. Only the
15 state auditor or the state auditor's designee may authorize
16 expenditures from the account. The account is subject to allotment
17 procedures under chapter 43.88 RCW, but an appropriation is not
18 required for expenditures. During the 2009-2011 fiscal biennium, the
19 legislature may transfer from the performance audits of government
20 account to the state general fund such amounts as deemed to be
21 appropriate or necessary. In addition, during the 2009-2011 fiscal
22 biennium, the legislature may appropriate moneys from the performance
23 audits of government account for governmental management, evaluation,
24 accountability, and performance audit programs.

25 **Sec. 933.** RCW 43.10.180 and 2007 c 522 s 951 are each amended to
26 read as follows:

27 (1) The attorney general shall keep such records as are necessary
28 to facilitate proper allocation of costs to funds and agencies served
29 and the director of financial management shall prescribe appropriate
30 accounting procedures to accurately allocate costs to funds and
31 agencies served. Billings shall be adjusted in line with actual costs
32 incurred at intervals not to exceed six months.

33 (2) During the ((2007-2009)) 2009-2011 fiscal biennium, all
34 expenses for administration of the office of the attorney general shall
35 be allocated to and paid from the legal services revolving fund in

1 accordance with accounting procedures prescribed by the director of
2 financial management.

3 **Sec. 934.** RCW 43.19.501 and 2008 c 328 s 6016 are each amended to
4 read as follows:

5 The Thurston county capital facilities account is created in the
6 state treasury. The account is subject to the appropriation and
7 allotment procedures under chapter 43.88 RCW. Moneys in the account
8 may be expended for capital projects in facilities owned and managed by
9 the department of general administration in Thurston county. For the
10 2007-2009 biennium, moneys in the account may be used for predesign
11 identified in section 1037, chapter 328, Laws of 2008.

12 During the 2009-2011 fiscal biennium, the legislature may transfer
13 from the Thurston county capital facilities account to the state
14 general fund such amounts as reflect the excess fund balance of the
15 account.

16 **Sec. 935.** RCW 43.30.720 and 2003 1st sp.s. c 25 s 938 are each
17 amended to read as follows:

18 All receipts from the sale of stock or seed shall be deposited in
19 a state forest nursery revolving fund to be maintained by the
20 department, which is hereby authorized to use all money in said fund
21 for the maintenance of the state tree nursery or the planting of
22 denuded state owned lands.

23 During the ((2003-2005)) 2009-2011 fiscal biennium, the legislature
24 may transfer from the state forest nursery revolving fund to the state
25 general fund such amounts as reflect the excess fund balance of the
26 fund.

27 **Sec. 936.** RCW 43.79.201 and 1995 c 399 s 77 are each amended to
28 read as follows:

29 (1) The charitable, educational, penal and reformatory institutions
30 account is hereby created, in the state treasury, into which account
31 there shall be deposited all moneys arising from the sale, lease or
32 transfer of the land granted by the United States government to the
33 state for charitable, educational, penal and reformatory institutions
34 by section 17 of the enabling act, or otherwise set apart for such
35 institutions, except all moneys arising from the sale, lease, or

1 transfer of that certain one hundred thousand acres of such land
2 assigned for the support of the University of Washington by chapter 91,
3 Laws of 1903 and section 9, chapter 122, Laws of 1893.

4 (2) If feasible, not less than one-half of all income to the
5 charitable, educational, penal, and reformatory institutions account
6 shall be appropriated for the purpose of providing housing, including
7 repair and renovation of state institutions, for persons (~~who are~~
8 ~~mentally ill, developmentally disabled~~) with mental illness or
9 developmental disabilities, or youth who are blind, deaf, or otherwise
10 disabled. If moneys are appropriated for community-based housing, the
11 moneys shall be appropriated to the department of community, trade, and
12 economic development for the housing assistance program under chapter
13 43.185 RCW. During the 2009-2011 fiscal biennium, the legislature may
14 transfer from the charitable, educational, penal and reformatory
15 institutions account to the state general fund such amounts as reflect
16 excess fund balance of the fund.

17 **Sec. 937.** RCW 43.79.460 and 2009 c 4 s 902 are each amended to
18 read as follows:

19 (1) The savings incentive account is created in the custody of the
20 state treasurer. The account shall consist of all moneys appropriated
21 to the account by the legislature. The account is subject to the
22 allotment procedures under chapter 43.88 RCW, but no appropriation is
23 required for expenditures from the account.

24 (2) Within the savings incentive account, the state treasurer may
25 create subaccounts to be credited with incentive savings attributable
26 to individual state agencies, as determined by the office of financial
27 management in consultation with the legislative fiscal committees.
28 Moneys deposited in the subaccounts may be expended only on the
29 authorization of the agency's executive head or designee and only for
30 the purpose of one-time expenditures to improve the quality,
31 efficiency, and effectiveness of services to customers of the state,
32 such as one-time expenditures for employee training, employee
33 incentives, technology improvements, new work processes, or performance
34 measurement. Funds may not be expended from the account to establish
35 new programs or services, expand existing programs or services, or
36 incur ongoing costs that would require future expenditures.

1 (3) For purposes of this section, "incentive savings" means state
2 general fund appropriations that are unspent as of June 30th of a
3 fiscal year, excluding any amounts included in across-the-board
4 reductions under RCW 43.88.110 and excluding unspent appropriations
5 for:

6 (a) Caseload and enrollment in entitlement programs, except to the
7 extent that an agency has clearly demonstrated that efficiencies have
8 been achieved in the administration of the entitlement program.
9 "Entitlement program," as used in this section, includes programs for
10 which specific sums of money are appropriated for pass-through to third
11 parties or other entities;

12 (b) Enrollments in state institutions of higher education;

13 (c) A specific amount contained in a condition or limitation to an
14 appropriation in the biennial appropriations act, if the agency did not
15 achieve the specific purpose or objective of the condition or
16 limitation;

17 (d) Debt service on state obligations; and

18 (e) State retirement system obligations.

19 (4) The office of financial management, after consulting with the
20 legislative fiscal committees, shall report to the treasurer the amount
21 of savings incentives achieved. By December 1, (~~1998~~) 2010, and each
22 December 1st thereafter, the office of financial management shall
23 submit a report to the fiscal committees of the legislature on the
24 implementation of this section. The report shall (a) evaluate the
25 impact of this section on agency reversions and end-of-biennium
26 expenditure patterns, and (b) itemize agency expenditures from the
27 savings recovery account. The office of financial management is
28 relieved from having to submit a report by December 1, 2008.

29 (5) For fiscal year 2009, the legislature may transfer from the
30 savings incentive account to the state general fund such amounts as
31 reflect the fund balance of the account attributable to unspent state
32 general fund appropriations for fiscal year 2008.

33 **Sec. 938.** RCW 43.79.480 and 2005 c 424 s 12 are each amended to
34 read as follows:

35 (1) Moneys received by the state of Washington in accordance with
36 the settlement of the state's legal action against tobacco product

1 manufacturers, exclusive of costs and attorneys' fees, shall be
2 deposited in the tobacco settlement account created in this section
3 except as these moneys are sold or assigned under chapter 43.340 RCW.

4 (2) The tobacco settlement account is created in the state
5 treasury. Moneys in the tobacco settlement account may only be
6 transferred to the health services account for the purposes set forth
7 in RCW 43.72.900, and to the tobacco prevention and control account for
8 purposes set forth in this section. The legislature shall transfer
9 amounts received as strategic contribution payments as defined in RCW
10 43.350.010 to the life sciences discovery fund created in RCW
11 43.350.070. During the 2009-2011 fiscal biennium, the legislature may
12 transfer less than the entire strategic contribution payments.

13 (3) The tobacco prevention and control account is created in the
14 state treasury. The source of revenue for this account is moneys
15 transferred to the account from the tobacco settlement account,
16 investment earnings, donations to the account, and other revenues as
17 directed by law. Expenditures from the account are subject to
18 appropriation. During the 2009-2011 fiscal biennium, the legislature
19 may transfer from the tobacco prevention and control account to the
20 state general fund such amounts as represent the excess fund balance of
21 the account.

22 **Sec. 939.** RCW 43.83B.360 and 1991 sp.s. c 13 s 33 are each amended
23 to read as follows:

24 The proceeds from the sale of bonds authorized by RCW 43.83B.300,
25 and 43.83B.355 through 43.83B.375 shall be deposited in the state
26 emergency water projects revolving account, hereby created in the state
27 treasury, and shall be used exclusively for the purposes specified in
28 RCW 43.83B.300, and 43.83B.355 through 43.83B.375 and for the payment
29 of expenses incurred in the issuance and sale of such bonds. During
30 the 2009-2011 fiscal biennium, the legislature may transfer from the
31 state emergency water projects revolving account to the state general
32 fund such amounts as reflect the excess fund balance of the account.

33 **Sec. 940.** RCW 43.135.045 and 2007 c 520 s 6035 and 2007 c 484 s 5
34 are each reenacted and amended to read as follows:

35 (1) The student achievement fund is hereby created in the state
36 treasury.

1 (2) The education construction fund is hereby created in the state
2 treasury.

3 (a) Funds may be appropriated from the education construction fund
4 exclusively for common school construction or higher education
5 construction. During the 2007-2009 fiscal biennium, funds may also be
6 used for higher education facilities preservation and maintenance.
7 During the 2009-2011 fiscal biennium, the legislature may transfer from
8 the education construction fund to the state general fund such amounts
9 as reflect the excess fund balance of the fund.

10 (b) Funds may be appropriated for any other purpose only if
11 approved by a two-thirds vote of each house of the legislature and if
12 approved by a vote of the people at the next general election. An
13 appropriation approved by the people under this subsection shall result
14 in an adjustment to the state expenditure limit only for the fiscal
15 period for which the appropriation is made and shall not affect any
16 subsequent fiscal period.

17 (3) Funds from the student achievement fund shall be appropriated
18 to the superintendent of public instruction strictly for distribution
19 to school districts to meet the provisions set out in the student
20 achievement act. Allocations shall be made on an equal per full-time
21 equivalent student basis to each school district.

22 **Sec. 941.** RCW 43.155.050 and 2008 c 328 s 6002 are each amended to
23 read as follows:

24 (1) The public works assistance account is hereby established in
25 the state treasury. Money may be placed in the public works assistance
26 account from the proceeds of bonds when authorized by the legislature
27 or from any other lawful source. Money in the public works assistance
28 account shall be used to make loans and to give financial guarantees to
29 local governments for public works projects. Moneys in the account may
30 also be appropriated to provide for state match requirements under
31 federal law for projects and activities conducted and financed by the
32 board under the drinking water assistance account. Not more than
33 fifteen percent of the biennial capital budget appropriation to the
34 public works board from this account may be expended or obligated for
35 preconstruction loans, emergency loans, or loans for capital facility
36 planning under this chapter; of this amount, not more than ten percent
37 of the biennial capital budget appropriation may be expended for

1 emergency loans and not more than one percent of the biennial capital
2 budget appropriation may be expended for capital facility planning
3 loans. (~~For the 2007-2009 biennium, moneys in the account may be used~~
4 ~~for grants for projects identified in section 138, chapter 488, Laws of~~
5 ~~2005, for the infrastructure investment system implementation plan~~
6 ~~identified in section 1022, chapter 328, Laws of 2008; for the interest~~
7 ~~rate buy-down pilot program identified in section 1004, chapter 328,~~
8 ~~Laws of 2008; and for the housing assistance, weatherization, and~~
9 ~~affordable housing program identified in section 1005, chapter 328,~~
10 ~~Laws of 2008.)) During the 2009-2011 fiscal biennium, the legislature
11 may transfer from the public works assistance account to the general
12 fund and the city-county assistance account such amounts as reflect the
13 excess fund balance of the account.~~

14 (2) The job development fund is hereby established in the state
15 treasury. (~~Up to fifty million dollars each biennium from the public~~
16 ~~works assistance account may be transferred into the job development~~
17 ~~fund. Money in the job development fund may be used solely for job~~
18 ~~development fund program grants, administrative expenses related to the~~
19 ~~administration of the job development fund program created in RCW~~
20 ~~43.160.230, and for the report prepared by the joint legislative audit~~
21 ~~and review committee pursuant to RCW 44.28.801(2).)) Moneys in the job
22 development fund may be spent only after appropriation. (~~The board~~
23 ~~shall prepare a prioritized list of proposed projects of up to fifty~~
24 ~~million dollars as part of the department's 2007-09 biennial budget~~
25 ~~request. The board may provide an additional alternate job development~~
26 ~~fund project list of up to ten million dollars. The legislature may~~
27 ~~remove projects from the list recommended by the board. The~~
28 ~~legislature may not change the prioritization of projects recommended~~
29 ~~for funding by the board, but may add projects from the alternate list~~
30 ~~in order of priority, as long as the total funding does not exceed~~
31 ~~fifty million dollars.))~~~~

32 **Sec. 942.** RCW 43.215.125 and 2008 c 164 s 2 are each amended to
33 read as follows:

34 (1) (~~Within existing funds~~) For the 2009-2011 fiscal biennium, to
35 the extent funds are appropriated for this purpose, the department
36 shall develop a proposal for implementing a statewide Washington head
37 start program. To the extent possible while maintaining quality

1 standards, the proposal should align the state early childhood
2 education and assistance program with federal head start program
3 eligibility criteria, guidelines, performance standards, and
4 methods/processes for ensuring continuous improvement in program
5 quality. In this proposal, the department shall make recommendations
6 that:

7 (a) Identify federal head start program guidelines, performance
8 measures and standards, or other requirements for which state
9 flexibility would be recommended. This shall include an analysis of
10 how state flexibility may impact outcomes for children and how that
11 flexibility might deviate from outcomes associated with the federal
12 standards. Areas to be examined must include, but are not limited to,
13 transportation requirements, service hour configurations, delivery
14 methods, and impact on rural programs;

15 (b) Provide comparative data regarding child performance,
16 readiness, and educational outcomes for Washington's existing head
17 start and early childhood education and assistance programs;

18 (c) Determine the alignment between head start standards and the
19 recommendations of Washington learns;

20 (d) Identify any change in the state early childhood education and
21 assistance program laws that would be required to implement the
22 Washington head start proposal;

23 (e) Identify additional resources needed to meet federal guidelines
24 and standards. Areas to be examined must include, but are not limited
25 to: Per-child funding levels, professional development and training
26 needs, facilities needs, and technical assistance;

27 (f) Identify state early childhood education and assistance
28 programs that do and do not offer full-day, full-year services to
29 children, and what transition steps would be needed for these programs
30 to operate in the same manner as federal head start programs;

31 (g) Provide steps for phasing-in the Washington head start
32 proposal;

33 (h) Include a timeline, strategy, and funding needs to implement a
34 statewide, state-supported early head start program as a component of
35 the Washington head start proposal; and

36 (i) Detail the process the department would take with the regional
37 office of federal head start in identifying any exceptions or waivers
38 needed to provide flexibility and maintain high quality standards.

1 (2) In developing its recommendations for this proposal, the
2 department shall seek, where appropriate and available, training or
3 technical assistance from the appropriate regional office of federal
4 head start in order to maximize nonstate resources that might be
5 available for the consultative work and research involved with
6 developing this proposal. The department also shall consult with and
7 solicit input from:

8 (a) State early childhood education and assistance program
9 providers on Indian reservations and across the state, including
10 providers who operate solely state-supported programs;

11 (b) Tribal governments operating head start programs and early head
12 start programs in the state to ensure that the needs of Indian and
13 Alaskan native children and their families are incorporated into the
14 recommendations of the proposal, especially as they pertain to
15 standards or guidelines around language acquisition, school readiness,
16 availability and need for services among Indian and Alaskan native
17 children and their families, and curriculum development; and

18 (c) Providers operating migrant and seasonal head start programs in
19 the state in order to address the needs of the children of migrant and
20 seasonal farmworker families.

21 (3) The department shall make recommendations on how it would
22 periodically review the standards and guidelines within the Washington
23 head start program, including incorporation of the latest research and
24 information on early childhood development as well as any new
25 innovations that may further improve outcomes to low-income children
26 and their families.

27 (4) The department's recommendations on a Washington head start
28 proposal shall include how the proposal aligns with the department's
29 current statutory duties. The recommendations shall also include any
30 other options that may improve the quality of state-supported early
31 learning programs.

32 (5) The department shall deliver its report to the governor and
33 legislature by December 1, 2009.

34 **Sec. 943.** RCW 43.325.040 and 2007 c 348 s 305 are each amended to
35 read as follows:

36 (1) The energy freedom account is created in the state treasury.
37 All receipts from appropriations made to the account and any loan

1 payments of principal and interest derived from loans made under this
2 chapter must be deposited into the account. Moneys in the account may
3 be spent only after appropriation. Expenditures from the account may
4 be used only for assistance for projects consistent with this chapter
5 or otherwise authorized by the legislature.

6 (2) The green energy incentive account is created in the state
7 treasury as a subaccount of the energy freedom account. All receipts
8 from appropriations made to the green energy incentive account shall be
9 deposited into the account, and may be spent only after appropriation.
10 Expenditures from the account may be used only for:

11 (a) Refueling projects awarded under this chapter;

12 (b) Pilot projects for plug-in hybrids, including grants provided
13 for the electrification program set forth in RCW 43.325.110; and

14 (c) Demonstration projects developed with state universities as
15 defined in RCW 28B.10.016 and local governments that result in the
16 design and building of a hydrogen vehicle fueling station.

17 (3) Any state agency receiving funding from the energy freedom
18 account is prohibited from retaining greater than three percent of any
19 funding provided from the energy freedom account for administrative
20 overhead or other deductions not directly associated with conducting
21 the research, projects, or other end products that the funding is
22 designed to produce unless this provision is waived in writing by the
23 director.

24 (4) Any university, institute, or other entity that is not a state
25 agency receiving funding from the energy freedom account is prohibited
26 from retaining greater than fifteen percent of any funding provided
27 from the energy freedom account for administrative overhead or other
28 deductions not directly associated with conducting the research,
29 projects, or other end products that the funding is designed to
30 produce.

31 (5) Subsections (2) through (4) of this section do not apply to
32 assistance awarded for projects under RCW 43.325.020(3).

33 (6) During the 2009-2011 fiscal biennium, the legislature may
34 transfer from the energy freedom account to the state general fund such
35 amounts as reflect the excess fund balance of the account.

36 **Sec. 944.** RCW 43.330.250 and 2008 c 329 s 914 are each amended to
37 read as follows:

1 (1) The economic development strategic reserve account is created
2 in the state treasury to be used only for the purposes of this section.

3 (2) Only the governor, with the recommendation of the director of
4 the department of community, trade, and economic development and the
5 economic development commission, may authorize expenditures from the
6 account.

7 (3) Expenditures from the account shall be made in an amount
8 sufficient to fund a minimum of one staff position for the economic
9 development commission and to cover any other operational costs of the
10 commission.

11 (4) During the ((2007-2009)) 2009-2011 fiscal biennium, moneys in
12 the account may also be transferred into the state general fund.

13 (5) Expenditures from the account may be made to prevent closure of
14 a business or facility, to prevent relocation of a business or facility
15 in the state to a location outside the state, or to recruit a business
16 or facility to the state. Expenditures may be authorized for:

17 (a) Workforce development;

18 (b) Public infrastructure needed to support or sustain the
19 operations of the business or facility; and

20 (c) Other lawfully provided assistance, including, but not limited
21 to, technical assistance, environmental analysis, relocation
22 assistance, and planning assistance. Funding may be provided for such
23 assistance only when it is in the public interest and may only be
24 provided under a contractual arrangement ensuring that the state will
25 receive appropriate consideration, such as an assurance of job creation
26 or retention.

27 (6) The funds shall not be expended from the account unless:

28 (a) The circumstances are such that time does not permit the
29 director of the department of community, trade, and economic
30 development or the business or facility to secure funding from other
31 state sources;

32 (b) The business or facility produces or will produce significant
33 long-term economic benefits to the state, a region of the state, or a
34 particular community in the state;

35 (c) The business or facility does not require continuing state
36 support;

37 (d) The expenditure will result in new jobs, job retention, or
38 higher incomes for citizens of the state;

1 (e) The expenditure will not supplant private investment; and

2 (f) The expenditure is accompanied by private investment.

3 (7) No more than three million dollars per year may be expended
4 from the account for the purpose of assisting an individual business or
5 facility pursuant to the authority specified in this section.

6 (8) If the account balance in the strategic reserve account exceeds
7 fifteen million dollars at any time, the amount in excess of fifteen
8 million dollars shall be transferred to the education construction
9 account.

10 **Sec. 945.** RCW 44.44.013 and 2003 c 295 s 13 are each amended to
11 read as follows:

12 (1) The state actuary appointment committee is created.

13 (a) After June 30, 2011, the committee shall consist of: ((+a))

14 (i) The chair and ranking minority member of the house of
15 representatives appropriations committee and the chair and ranking
16 minority member of the senate ways and means committee; and ((+b))

17 (ii) four members of the select committee on pension policy appointed
18 jointly by the chair and vice-chair of the select committee, at least
19 one member representing state retirement systems active or retired
20 members, and one member representing state retirement system employers.

21 (b) From the effective date of this section through June 30, 2011,
22 the membership of the state actuary appointment committee shall consist
23 of the membership of the pension funding council created under RCW
24 41.45.100.

25 (2) The state actuary appointment committee shall be jointly
26 chaired by the chair of the house of representatives appropriations
27 committee and the chair of the senate ways and means committee.

28 (3) The state actuary appointment committee shall appoint or remove
29 the state actuary by a two-thirds vote of the committee. When
30 considering the appointment or removal of the state actuary, the
31 appointment committee shall consult with the director of the department
32 of retirement systems, the director of the office of financial
33 management, and other interested parties.

34 (4) The state actuary appointment committee shall be convened by
35 the chairs of the house of representatives appropriations committee and
36 the senate ways and means committee (a) whenever the position of state

1 actuary becomes vacant, or (b) upon the written request of any four
2 members of the appointment committee.

3 **Sec. 946.** RCW 46.09.170 and 2007 c 522 s 953 and 2007 c 241 s 16
4 are each reenacted and amended to read as follows:

5 (1) From time to time, but at least once each year, the state
6 treasurer shall refund from the motor vehicle fund one percent of the
7 motor vehicle fuel tax revenues collected under chapter 82.36 RCW,
8 based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle
9 fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per
10 gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007;
11 (c) twenty-one cents per gallon of motor vehicle fuel from July 1,
12 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor
13 vehicle fuel from July 1, 2009, through June 30, 2011; and (e) twenty-
14 three cents per gallon of motor vehicle fuel beginning July 1, 2011,
15 and thereafter, less proper deductions for refunds and costs of
16 collection as provided in RCW 46.68.090.

17 (2) The treasurer shall place these funds in the general fund as
18 follows:

19 (a) Thirty-six percent shall be credited to the ORV and nonhighway
20 vehicle account and administered by the department of natural resources
21 solely for acquisition, planning, development, maintenance, and
22 management of ORV, nonmotorized, and nonhighway road recreation
23 facilities, and information programs and maintenance of nonhighway
24 roads;

25 (b) Three and one-half percent shall be credited to the ORV and
26 nonhighway vehicle account and administered by the department of fish
27 and wildlife solely for the acquisition, planning, development,
28 maintenance, and management of ORV, nonmotorized, and nonhighway road
29 recreation facilities and the maintenance of nonhighway roads;

30 (c) Two percent shall be credited to the ORV and nonhighway vehicle
31 account and administered by the parks and recreation commission solely
32 for the acquisition, planning, development, maintenance, and management
33 of ORV, nonmotorized, and nonhighway road recreation facilities; and

34 (d) Fifty-eight and one-half percent shall be credited to the
35 nonhighway and off-road vehicle activities program account to be
36 administered by the board for planning, acquisition, development,
37 maintenance, and management of ORV, nonmotorized, and nonhighway road

1 recreation facilities and for education, information, and law
2 enforcement programs. The funds under this subsection shall be
3 expended in accordance with the following limitations:

4 (i) Not more than thirty percent may be expended for education,
5 information, and law enforcement programs under this chapter;

6 (ii) Not less than seventy percent may be expended for ORV,
7 nonmotorized, and nonhighway road recreation facilities. Except as
8 provided in (d)(iii) of this subsection, of this amount:

9 (A) Not less than thirty percent, together with the funds the board
10 receives under RCW 46.09.110, may be expended for ORV recreation
11 facilities;

12 (B) Not less than thirty percent may be expended for nonmotorized
13 recreation facilities. Funds expended under this subsection
14 (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation
15 facilities funds; and

16 (C) Not less than thirty percent may be expended for nonhighway
17 road recreation facilities;

18 (iii) The board may waive the minimum percentage cited in (d)(ii)
19 of this subsection due to insufficient requests for funds or projects
20 that score low in the board's project evaluation. Funds remaining
21 after such a waiver must be allocated in accordance with board policy.

22 (3) On a yearly basis an agency may not, except as provided in RCW
23 46.09.110, expend more than ten percent of the funds it receives under
24 this chapter for general administration expenses incurred in carrying
25 out this chapter.

26 (4) During the ~~((2007-09))~~ 2009-2011 fiscal biennium, the
27 legislature may appropriate such amounts as reflect the excess fund
28 balance in the NOVA account to the department of natural resources
29 ~~((for planning and designing))~~ to install consistent off-road vehicle
30 signage at department-managed recreation sites, and ~~((for planning))~~ to
31 implement the recreation opportunities on department-managed lands in
32 the Reiter block and Ahtanum state forest, and to the state parks and
33 recreation commission for maintenance and operation of parks and to
34 improve accessibility for boaters and off-road vehicle users. This
35 appropriation is not required to follow the specific distribution
36 specified in subsection (2) of this section.

1 **Sec. 947.** RCW 46.66.080 and 2007 c 199 s 27 are each amended to
2 read as follows:

3 (1) The Washington auto theft prevention authority account is
4 created in the state treasury, subject to appropriation. All revenues
5 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all
6 receipts from gifts, grants, bequests, devises, or other funds from
7 public and private sources to support the activities of the auto theft
8 prevention authority must be deposited into the account. Expenditures
9 from the account may be used only for activities relating to motor
10 vehicle theft, including education, prevention, law enforcement,
11 investigation, prosecution, and confinement. During the 2009-2011
12 fiscal biennium, the legislature may appropriate moneys from the
13 Washington auto theft prevention authority account for criminal justice
14 purposes.

15 (2) The authority shall allocate moneys appropriated from the
16 account to public agencies for the purpose of establishing,
17 maintaining, and supporting programs that are designed to prevent motor
18 vehicle theft, including:

19 (a) Financial support to prosecution agencies to increase the
20 effectiveness of motor vehicle theft prosecution;

21 (b) Financial support to a unit of local government or a team
22 consisting of units of local governments to increase the effectiveness
23 of motor vehicle theft enforcement;

24 (c) Financial support for the procurement of equipment and
25 technologies for use by law enforcement agencies for the purpose of
26 enforcing motor vehicle theft laws; and

27 (d) Financial support for programs that are designed to educate and
28 assist the public in the prevention of motor vehicle theft.

29 (3) The costs of administration shall not exceed ten percent of the
30 moneys in the account in any one year so that the greatest possible
31 portion of the moneys available to the authority is expended on
32 combating motor vehicle theft.

33 (4) Prior to awarding any moneys from the Washington auto theft
34 prevention authority account for motor vehicle theft enforcement, the
35 auto theft prevention authority must verify that the financial award
36 includes sufficient funding to cover proposed activities, which
37 include, but are not limited to: (a) State, municipal, and county
38 offender and juvenile confinement costs; (b) administration costs; (c)

1 law enforcement costs; (d) prosecutor costs; and (e) court costs, with
2 a priority being given to ensuring that sufficient funding is available
3 to cover state, municipal, and county offender and juvenile confinement
4 costs.

5 (5) Moneys expended from the Washington auto theft prevention
6 authority account under subsection (2) of this section shall be used to
7 supplement, not supplant, other moneys that are available for motor
8 vehicle theft prevention.

9 (6) Grants provided under subsection (2) of this section constitute
10 reimbursement for purposes of RCW 43.135.060(1).

11 **Sec. 948.** RCW 50.16.010 and 2009 c 4 s 906 are each amended to
12 read as follows:

13 (1) There shall be maintained as special funds, separate and apart
14 from all public moneys or funds of this state an unemployment
15 compensation fund, an administrative contingency fund, and a federal
16 interest payment fund, which shall be administered by the commissioner
17 exclusively for the purposes of this title, and to which RCW 43.01.050
18 shall not be applicable.

19 (2)(a) The unemployment compensation fund shall consist of:

20 (i) All contributions collected under RCW 50.24.010 and payments in
21 lieu of contributions collected pursuant to the provisions of this
22 title;

23 (ii) Any property or securities acquired through the use of moneys
24 belonging to the fund;

25 (iii) All earnings of such property or securities;

26 (iv) Any moneys received from the federal unemployment account in
27 the unemployment trust fund in accordance with Title XII of the social
28 security act, as amended;

29 (v) All money recovered on official bonds for losses sustained by
30 the fund;

31 (vi) All money credited to this state's account in the unemployment
32 trust fund pursuant to section 903 of the social security act, as
33 amended;

34 (vii) All money received from the federal government as
35 reimbursement pursuant to section 204 of the federal-state extended
36 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and

37 (viii) All moneys received for the fund from any other source.

1 (b) All moneys in the unemployment compensation fund shall be
2 commingled and undivided.

3 (3)(a) Except as provided in (b) of this subsection, the
4 administrative contingency fund shall consist of:

5 (i) All interest on delinquent contributions collected pursuant to
6 this title;

7 (ii) All fines and penalties collected pursuant to the provisions
8 of this title;

9 (iii) All sums recovered on official bonds for losses sustained by
10 the fund; and

11 (iv) Revenue received under RCW 50.24.014.

12 (b) All fees, fines, forfeitures, and penalties collected or
13 assessed by a district court because of the violation of this title or
14 rules adopted under this title shall be remitted as provided in chapter
15 3.62 RCW.

16 (c) During the 2007-2009 biennium, moneys available in the
17 administrative contingency fund, other than money in the special
18 account created under RCW 50.24.014(1)(a), shall be expended as
19 appropriated by the legislature for the (i) cost of the job skills or
20 worker retraining programs at the community and technical colleges and
21 administrative costs at the state board for community and technical
22 colleges, and (ii) reemployment services such as business and project
23 development assistance, local economic development capacity building,
24 and local economic development financial assistance at the department
25 of community, trade, and economic development, and the remaining
26 appropriation upon the direction of the commissioner, with the approval
27 of the governor, whenever it appears to him or her that such
28 expenditure is necessary solely for:

29 (i) The proper administration of this title and that insufficient
30 federal funds are available for the specific purpose to which such
31 expenditure is to be made, provided, the moneys are not substituted for
32 appropriations from federal funds which, in the absence of such moneys,
33 would be made available.

34 (ii) The proper administration of this title for which purpose
35 appropriations from federal funds have been requested but not yet
36 received, provided, the administrative contingency fund will be
37 reimbursed upon receipt of the requested federal appropriation.

1 (iii) The proper administration of this title for which compliance
2 and audit issues have been identified that establish federal claims
3 requiring the expenditure of state resources in resolution. Claims
4 must be resolved in the following priority: First priority is to
5 provide services to eligible participants within the state; second
6 priority is to provide substitute services or program support; and last
7 priority is the direct payment of funds to the federal government.

8 (d) During the 2009-11 biennium, moneys available in the
9 administrative contingency fund, other than money in the special
10 account created under RCW 50.24.014(1)(a), shall be expended by the
11 department of social and human services as appropriated by the
12 legislature for employment and training services and programs in the
13 WorkFirst program, for the administrative costs of state agencies
14 participating in the WorkFirst program, and the remaining appropriation
15 upon the direction of the commissioner, with the approval of the
16 governor, whenever it appears to him or her that such expenditure is
17 necessary solely for:

18 (i) The proper administration of this title and that insufficient
19 federal funds are available for the specific purpose to which such
20 expenditure is to be made, provided, the moneys are not substituted for
21 appropriations from federal funds which, in the absence of such moneys,
22 would be made available.

23 (ii) The proper administration of this title for which purpose
24 appropriations from federal funds have been requested but not yet
25 received, provided, the administrative contingency fund will be
26 reimbursed upon receipt of the requested federal appropriation.

27 (iii) The proper administration of this title for which compliance
28 and audit issues have been identified that establish federal claims
29 requiring the expenditure of state resources in resolution. Claims
30 must be resolved in the following priority: First priority is to
31 provide services to eligible participants within the state; second
32 priority is to provide substitute services or program support; and last
33 priority is the direct payment of funds to the federal government.

34 (4) Money in the special account created under RCW 50.24.014(1)(a)
35 may only be expended, after appropriation, for the purposes specified
36 in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014,
37 50.44.053, and 50.22.010.

1 **Sec. 949.** RCW 66.08.170 and 2002 c 371 s 917 are each amended to
2 read as follows:

3 There shall be a fund, known as the "liquor revolving fund", which
4 shall consist of all license fees, permit fees, penalties, forfeitures,
5 and all other moneys, income, or revenue received by the board. The
6 state treasurer shall be custodian of the fund. All moneys received by
7 the board or any employee thereof, except for change funds and an
8 amount of petty cash as fixed by the board within the authority of law
9 shall be deposited each day in a depository approved by the state
10 treasurer and transferred to the state treasurer to be credited to the
11 liquor revolving fund. During the ~~((2001-2003))~~ 2009-2011 fiscal
12 biennium, the legislature may transfer funds from the liquor revolving
13 account to the state general fund ~~((such amounts as reflect the excess
14 fund balance of the fund and reductions made by the 2002 supplemental
15 appropriations act for administrative efficiencies and savings))~~ and
16 may direct an additional amount of liquor profits to be distributed to
17 local governments. Neither the transfer of funds nor the additional
18 distribution of liquor profits to local governments during the 2009-
19 2011 fiscal biennium may reduce the excess fund distributions that
20 otherwise would occur under RCW 66.08.190. Disbursements from the
21 revolving fund shall be on authorization of the board or a duly
22 authorized representative thereof. In order to maintain an effective
23 expenditure and revenue control the liquor revolving fund shall be
24 subject in all respects to chapter 43.88 RCW but no appropriation shall
25 be required to permit expenditures and payment of obligations from such
26 fund.

27 **Sec. 950.** RCW 67.40.040 and 2008 c 329 s 917 and 2008 c 328 s 6011
28 are each reenacted and amended to read as follows:

29 (1) The proceeds from the sale of the bonds authorized in RCW
30 67.40.030, proceeds of the taxes imposed under RCW 67.40.090 and
31 67.40.130, and all other moneys received by the state convention and
32 trade center from any public or private source which are intended to
33 fund the acquisition, design, construction, expansion, exterior cleanup
34 and repair of the Eagles building, conversion of various retail and
35 other space to meeting rooms, purchase of the land and building known
36 as the McKay Parcel, development of low-income housing, or renovation
37 of the center, and those expenditures authorized under RCW 67.40.170

1 shall be deposited in the state convention and trade center account
2 hereby created in the state treasury and in such subaccounts as are
3 deemed appropriate by the directors of the corporation.

4 (2) Moneys in the account, including unanticipated revenues under
5 RCW 43.79.270, shall be used exclusively for the following purposes in
6 the following priority:

7 (a) For reimbursement of the state general fund under RCW
8 67.40.060;

9 (b) After appropriation by statute:

10 (i) For payment of expenses incurred in the issuance and sale of
11 the bonds issued under RCW 67.40.030;

12 (ii) For expenditures authorized in RCW 67.40.170, and during the
13 ~~((2007-2009))~~ 2009-2011 fiscal biennium, the legislature may transfer
14 from the state convention and trade center account ~~((to the Washington
15 housing trust account such amounts as reflect the excess fund balance
16 in the account; and during the 2007-2009 biennium, the legislature may
17 transfer from the state convention and trade center account))~~ to the
18 general fund such amounts as reflect the excess fund balance in the
19 account;

20 (iii) For acquisition, design, and construction of the state
21 convention and trade center;

22 (iv) For debt service for the acquisition, design, and construction
23 and retrofit of the museum of history and industry museum property or
24 other future expansions of the convention center as approved by the
25 legislature; and

26 (v) For reimbursement of any expenditures from the state general
27 fund in support of the state convention and trade center; and

28 (c) For transfer to the state convention and trade center
29 operations account.

30 (3) The corporation shall identify with specificity those
31 facilities of the state convention and trade center that are to be
32 financed with proceeds of general obligation bonds, the interest on
33 which is intended to be excluded from gross income for federal income
34 tax purposes. The corporation shall not permit the extent or manner of
35 private business use of those bond-financed facilities to be
36 inconsistent with treatment of such bonds as governmental bonds under
37 applicable provisions of the Internal Revenue Code of 1986, as amended.

1 (4) In order to ensure consistent treatment of bonds authorized
2 under RCW 67.40.030 with applicable provisions of the Internal Revenue
3 Code of 1986, as amended, and notwithstanding RCW 43.84.092, investment
4 earnings on bond proceeds deposited in the state convention and trade
5 center account in the state treasury shall be retained in the account,
6 and shall be expended by the corporation for the purposes authorized
7 under chapter 386, Laws of 1995 and in a manner consistent with
8 applicable provisions of the Internal Revenue Code of 1986, as amended.

9 (5) Subject to the conditions in subsection (6) of this section,
10 starting in fiscal year 2008, and except for the 2009-2011 fiscal
11 biennium in which no transfers shall be made, the state treasurer shall
12 transfer:

13 (a) The sum of four million dollars, or as much as may be available
14 pursuant to conditions set forth in this section, from the state
15 convention and trade center account to the tourism enterprise account,
16 with the maximum transfer being four million dollars per fiscal year;
17 and

18 (b) The sum of five hundred thousand dollars, or as much as may be
19 available pursuant to conditions set forth in this section, from the
20 state convention and trade center account to the tourism development
21 and promotion account, with the maximum transfer being five hundred
22 thousand dollars per fiscal year.

23 (6)(a) Funds required for debt service payments and reserves for
24 bonds issued under RCW 67.40.030; for debt service authorized under RCW
25 67.40.170; and for the issuance and sale of financial instruments
26 associated with the acquisition, design, construction, and retrofit of
27 the museum of history and industry museum property or for other future
28 expansions of the center, as approved by the legislature, shall be
29 maintained within the state convention and trade center account.

30 (b) Except for during the 2009-2011 fiscal biennium, during which
31 no reserve shall be retained, no less than six million one hundred
32 fifty thousand dollars per year shall be retained in the state
33 convention and trade center account for funding capital maintenance as
34 required by the center's long-term capital plan, facility enhancements,
35 unanticipated replacements, and operating reserves for the convention
36 center operation. This amount shall be escalated annually as follows:

37 (i) Four percent for annual inflation for capital maintenance,
38 repairs, and replacement;

1 (ii) An additional two percent for enhancement to the facility; and
2 (iii) An additional three percent for growth in expenditure due to
3 aging of the facility and the need to maintain an operating reserve.

4 (c) Sufficient funds shall be reserved within the state convention
5 and trade center account to fund operating appropriations for the
6 annual operation of the convention center.

7 **Sec. 951.** RCW 67.70.190 and 2005 c 427 s 2 are each amended to
8 read as follows:

9 Unclaimed prizes shall be retained in the state lottery account for
10 the person entitled thereto for one hundred eighty days after the
11 drawing in which the prize is won, or after the official end of the
12 game for instant prizes. If no claim is made for the prize within this
13 time, all rights to the prize shall be extinguished, and the prize
14 shall be retained in the state lottery fund for further use as prizes,
15 except that one-third of all unclaimed prize money shall be deposited
16 in the economic development strategic reserve account created in RCW
17 43.330.250.

18 During the 2009-2011 fiscal biennium, all unclaimed prize money
19 revenue retained in the state lottery fund in excess of three million
20 dollars each fiscal year, after distribution to the economic
21 development strategic reserve account, shall be deposited into the
22 state general fund. In addition, on July 1, 2009, June 30, 2010, and
23 June 30, 2011, all unclaimed prize money retained in the state lottery
24 fund in excess of three million dollars shall be deposited into the
25 state general fund.

26 **Sec. 952.** RCW 70.93.180 and 2005 c 518 s 939 are each amended to
27 read as follows:

28 (1) There is hereby created an account within the state treasury to
29 be known as the "waste reduction, recycling, and litter control
30 account". Moneys in the account may be spent only after appropriation.
31 Expenditures from the waste reduction, recycling, and litter control
32 account shall be used as follows:

33 (a) Fifty percent to the department of ecology, for use by the
34 departments of ecology, natural resources, revenue, transportation, and
35 corrections, and the parks and recreation commission, for use in litter
36 collection programs, to be distributed under RCW 70.93.220. The amount

1 to the department of ecology shall also be used for a central
2 coordination function for litter control efforts statewide, for the
3 biennial litter survey under RCW 70.93.200(8), and for statewide public
4 awareness programs under RCW 70.93.200(7). The amount to the
5 department shall also be used to defray the costs of administering the
6 funding, coordination, and oversight of local government programs for
7 waste reduction, litter control, and recycling, so that local
8 governments can apply one hundred percent of their funding to achieving
9 program goals. The amount to the department of revenue shall be used
10 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

11 (b) Twenty percent to the department for local government funding
12 programs for waste reduction, litter control, and recycling activities
13 by cities and counties under RCW 70.93.250, to be administered by the
14 department of ecology; and

15 (c) Thirty percent to the department of ecology for waste reduction
16 and recycling efforts.

17 (2) All taxes imposed in RCW 82.19.010 and fines and bail
18 forfeitures collected or received pursuant to this chapter shall be
19 deposited in the waste reduction, recycling, and litter control account
20 and used for the programs under subsection (1) of this section.

21 (3) Not less than five percent and no more than ten percent of the
22 amount appropriated into the waste reduction, recycling, and litter
23 control account every biennium shall be reserved for capital needs,
24 including the purchase of vehicles for transporting crews and for
25 collecting litter and solid waste. Capital funds shall be distributed
26 among state agencies and local governments according to the same
27 criteria provided in RCW 70.93.220 for the remainder of the funds, so
28 that the most effective waste reduction, litter control, and recycling
29 programs receive the most funding. The intent of this subsection is to
30 provide funds for the purchase of equipment that will enable the
31 department to account for the greatest return on investment in terms of
32 reaching a zero litter goal.

33 (4) During the ((2005-2007)) 2009-2011 fiscal biennium, the
34 legislature may transfer from the waste reduction, recycling, and
35 litter control account to the state general fund such amounts as
36 reflect the excess fund balance of the account. For purposes of
37 subsection (1) of this section, this transfer shall be treated as an
38 expenditure for litter collection.

1 **Sec. 953.** RCW 70.105D.070 and 2008 c 329 s 921, 2008 c 329 s 920,
2 2008 c 329 s 919, and 2008 c 328 s 6009 are each reenacted and amended
3 to read as follows:

4 (1) The state toxics control account and the local toxics control
5 account are hereby created in the state treasury.

6 (2) The following moneys shall be deposited into the state toxics
7 control account: (a) Those revenues which are raised by the tax
8 imposed under RCW 82.21.030 and which are attributable to that portion
9 of the rate equal to thirty-three one-hundredths of one percent; (b)
10 the costs of remedial actions recovered under this chapter or chapter
11 70.105A RCW; (c) penalties collected or recovered under this chapter;
12 and (d) any other money appropriated or transferred to the account by
13 the legislature. Moneys in the account may be used only to carry out
14 the purposes of this chapter, including but not limited to the
15 following activities:

16 (i) The state's responsibility for hazardous waste planning,
17 management, regulation, enforcement, technical assistance, and public
18 education required under chapter 70.105 RCW;

19 (ii) The state's responsibility for solid waste planning,
20 management, regulation, enforcement, technical assistance, and public
21 education required under chapter 70.95 RCW;

22 (iii) The hazardous waste cleanup program required under this
23 chapter;

24 (iv) State matching funds required under the federal cleanup law;

25 (v) Financial assistance for local programs in accordance with
26 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

27 (vi) State government programs for the safe reduction, recycling,
28 or disposal of hazardous wastes from households, small businesses, and
29 agriculture;

30 (vii) Hazardous materials emergency response training;

31 (viii) Water and environmental health protection and monitoring
32 programs;

33 (ix) Programs authorized under chapter 70.146 RCW;

34 (x) A public participation program, including regional citizen
35 advisory committees;

36 (xi) Public funding to assist potentially liable persons to pay for
37 the costs of remedial action in compliance with cleanup standards under
38 RCW 70.105D.030(2)(e) but only when the amount and terms of such

1 funding are established under a settlement agreement under RCW
2 70.105D.040(4) and when the director has found that the funding will
3 achieve both (A) a substantially more expeditious or enhanced cleanup
4 than would otherwise occur, and (B) the prevention or mitigation of
5 unfair economic hardship; (~~and~~)

6 (xii) Development and demonstration of alternative management
7 technologies designed to carry out the hazardous waste management
8 priorities of RCW 70.105.150; and

9 (xiii) During the 2009-2011 fiscal biennium, shoreline update
10 technical assistance.

11 (3) The following moneys shall be deposited into the local toxics
12 control account: Those revenues which are raised by the tax imposed
13 under RCW 82.21.030 and which are attributable to that portion of the
14 rate equal to thirty-seven one-hundredths of one percent.

15 (a) Moneys deposited in the local toxics control account shall be
16 used by the department for grants or loans to local governments for the
17 following purposes in descending order of priority:

18 (i) Remedial actions;

19 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

20 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
21 70.95I, and 70.105 RCW;

22 (iv) Funds for a program to assist in the assessment and cleanup of
23 sites of methamphetamine production, but not to be used for the initial
24 containment of such sites, consistent with the responsibilities and
25 intent of RCW 69.50.511; and

26 (v) Cleanup and disposal of hazardous substances from abandoned or
27 derelict vessels, defined for the purposes of this section as vessels
28 that have little or no value and either have no identified owner or
29 have an identified owner lacking financial resources to clean up and
30 dispose of the vessel, that pose a threat to human health or the
31 environment.

32 (b) Funds for plans and programs shall be allocated consistent with
33 the priorities and matching requirements established in chapters
34 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
35 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
36 project that is referenced in the action agenda developed by the Puget
37 Sound partnership under RCW 90.71.310, shall, except as conditioned by
38 RCW 70.105D.120, receive priority for any available funding for any

1 grant or funding programs or sources that use a competitive bidding
2 process. During the 2007-2009 fiscal biennium, moneys in the account
3 may also be used for grants to local governments to retrofit public
4 sector diesel equipment and for storm water planning and implementation
5 activities.

6 ~~(c) ((Funds may also be appropriated to the department of health to
7 implement programs to reduce testing requirements under the federal
8 safe drinking water act for public water systems. The department of
9 health shall reimburse the account from fees assessed under RCW
10 70.119A.115 by June 30, 1995.~~

11 ~~(d))~~ To expedite cleanups throughout the state, the department
12 shall partner with local communities and liable parties for cleanups.
13 The department is authorized to use the following additional strategies
14 in order to ensure a healthful environment for future generations:

15 (i) The director may alter grant-matching requirements to create
16 incentives for local governments to expedite cleanups when one of the
17 following conditions exists:

18 (A) Funding would prevent or mitigate unfair economic hardship
19 imposed by the clean-up liability;

20 (B) Funding would create new substantial economic development,
21 public recreational, or habitat restoration opportunities that would
22 not otherwise occur; or

23 (C) Funding would create an opportunity for acquisition and
24 redevelopment of vacant, orphaned, or abandoned property under RCW
25 70.105D.040(5) that would not otherwise occur;

26 (ii) The use of outside contracts to conduct necessary studies;
27 (iii) The purchase of remedial action cost-cap insurance, when
28 necessary to expedite multiparty clean-up efforts.

29 (4) Except for unanticipated receipts under RCW 43.79.260 through
30 43.79.282, moneys in the state and local toxics control accounts may be
31 spent only after appropriation by statute.

32 (5) Except during the 2009-2011 fiscal biennium, one percent of the
33 moneys deposited into the state and local toxics control accounts shall
34 be allocated only for public participation grants to persons who may be
35 adversely affected by a release or threatened release of a hazardous
36 substance and to not-for-profit public interest organizations. The
37 primary purpose of these grants is to facilitate the participation by
38 persons and organizations in the investigation and remedying of

1 releases or threatened releases of hazardous substances and to
2 implement the state's solid and hazardous waste management priorities.
3 (~~However, during the 1999-2001 fiscal biennium, funding may not be~~
4 ~~granted to entities engaged in lobbying activities, and applicants may~~
5 ~~not be awarded grants if their cumulative grant awards under this~~
6 ~~section exceed two hundred thousand dollars.)) No grant may exceed
7 sixty thousand dollars. Grants may be renewed annually. Moneys
8 appropriated for public participation from either account which are not
9 expended at the close of any biennium shall revert to the state toxics
10 control account.~~

11 (6) No moneys deposited into either the state or local toxics
12 control account may be used for solid waste incinerator feasibility
13 studies, construction, maintenance, or operation, or, after January 1,
14 2010, for projects designed to address the restoration of Puget Sound,
15 funded in a competitive grant process, that are in conflict with the
16 action agenda developed by the Puget Sound partnership under RCW
17 90.71.310.

18 (7) The department shall adopt rules for grant or loan issuance and
19 performance.

20 (8) During the (~~2007-2009~~) 2009-2011 fiscal biennium, the
21 legislature may transfer from the local toxics control account to (~~the~~
22 ~~state toxics control~~) either the state general fund or the oil spill
23 prevention account, or both such amounts as reflect excess fund balance
24 in the account.

25 (9) During the (~~2007-2009~~) 2009-2011 fiscal biennium, the local
26 toxics control account may also be used for a standby rescue tug at
27 Neah Bay, local government shoreline update grants, private and public
28 sector diesel equipment retrofit, and oil spill prevention,
29 preparedness, and response activities.

30 (10) During the 2009-2011 fiscal biennium, the legislature may
31 transfer from the state toxics control account to the state general
32 fund such amounts as reflect the excess fund balance in the account.

33 **Sec. 954.** RCW 71.24.310 and 2006 c 333 s 107 are each amended to
34 read as follows:

35 The legislature finds that administration of chapter 71.05 RCW and
36 this chapter can be most efficiently and effectively implemented as
37 part of the regional support network defined in RCW 71.24.025. For

1 this reason, the legislature intends that the department and the
2 regional support networks shall work together to implement chapter
3 71.05 RCW as follows:

4 (1) By June 1, 2006, regional support networks shall recommend to
5 the department the number of state hospital beds that should be
6 allocated for use by each regional support network. The statewide
7 total allocation shall not exceed the number of state hospital beds
8 offering long-term inpatient care, as defined in this chapter, for
9 which funding is provided in the biennial appropriations act.

10 (2) If there is consensus among the regional support networks
11 regarding the number of state hospital beds that should be allocated
12 for use by each regional support network, the department shall contract
13 with each regional support network accordingly.

14 (3) If there is not consensus among the regional support networks
15 regarding the number of beds that should be allocated for use by each
16 regional support network, the department shall establish by emergency
17 rule the number of state hospital beds that are available for use by
18 each regional support network. The emergency rule shall be effective
19 September 1, 2006. The primary factor used in the allocation shall be
20 the estimated number of (~~acutely and chronically mentally ill~~) adults
21 with acute and chronic mental illness in each regional support network
22 area, based upon population-adjusted incidence and utilization.

23 (4) The allocation formula shall be updated at least every three
24 years to reflect demographic changes, and new evidence regarding the
25 incidence of acute and chronic mental illness and the need for long-
26 term inpatient care. In the updates, the statewide total allocation
27 shall include (a) all state hospital beds offering long-term inpatient
28 care for which funding is provided in the biennial appropriations act;
29 plus (b) the estimated equivalent number of beds or comparable
30 diversion services contracted in accordance with subsection (5) of this
31 section.

32 (5) The department is encouraged to enter performance-based
33 contracts with regional support networks to provide some or all of the
34 regional support network's allocated long-term inpatient treatment
35 capacity in the community, rather than in the state hospital. The
36 performance contracts shall specify the number of patient days of care
37 available for use by the regional support network in the state
38 hospital.

1 (6) If a regional support network uses more state hospital patient
2 days of care than it has been allocated under subsection (3) or (4) of
3 this section, or than it has contracted to use under subsection (5) of
4 this section, whichever is less, it shall reimburse the department for
5 that care. The reimbursement rate per day shall be the hospital's
6 total annual budget for long-term inpatient care, divided by the total
7 patient days of care assumed in development of that budget.

8 (7) One-half of any reimbursements received pursuant to subsection
9 (6) of this section shall be used to support the cost of operating the
10 state hospital and, during calendar year 2009, implementing new
11 services that will enable a regional support network to reduce its
12 utilization of the state hospital. The department shall distribute the
13 remaining half of such reimbursements among regional support networks
14 that have used less than their allocated or contracted patient days of
15 care at that hospital, proportional to the number of patient days of
16 care not used.

17 **Sec. 955.** RCW 74.08A.340 and 2008 c 329 s 922 are each amended to
18 read as follows:

19 The department of social and health services shall operate the
20 Washington WorkFirst program authorized under RCW 74.08A.200 through
21 74.08A.330, 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12
22 RCW within the following constraints:

23 (1) The full amount of the temporary assistance for needy families
24 block grant, plus qualifying state expenditures as appropriated in the
25 biennial operating budget, shall be appropriated to the department each
26 year in the biennial appropriations act to carry out the provisions of
27 the program authorized in RCW 74.08A.200 through 74.08A.330,
28 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12 RCW.

29 (2)(a) The department may expend funds defined in subsection (1) of
30 this section in any manner that will effectively accomplish the outcome
31 measures defined in RCW 74.08A.410 with the following exception:
32 Beginning with the 2007-2009 biennium, funds that constitute the
33 working connections child care program, child care quality programs,
34 and child care licensing functions.

35 (b) Beginning in the 2007-2009 fiscal biennium, the legislature
36 shall appropriate and the departments of early learning and social and
37 health services shall expend funds defined in subsection (1) of this

1 section that constitute the working connections child care program,
2 child care quality programs, and child care licensing functions in a
3 manner that is consistent with the outcome measures defined in RCW
4 74.08A.410.

5 (c) No more than fifteen percent of the amount provided in
6 subsection (1) of this section may be spent for administrative
7 purposes. For the purpose of this subsection, "administrative
8 purposes" does not include expenditures for information technology and
9 computerization needed for tracking and monitoring required by P.L.
10 104-193. The department shall not increase grant levels to recipients
11 of the program authorized in RCW 74.08A.200 through 74.08A.330 and
12 43.330.145 and chapter 74.12 RCW, except as authorized in the omnibus
13 appropriations act for the ((2007-2009)) 2009-2011 biennium.

14 (3) The department shall implement strategies that accomplish the
15 outcome measures identified in RCW 74.08A.410 that are within the
16 funding constraints in this section. Specifically, the department
17 shall implement strategies that will cause the number of cases in the
18 program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145
19 and chapter 74.12 RCW to decrease by at least fifteen percent during
20 the 1997-99 biennium and by at least five percent in the subsequent
21 biennium. The department may transfer appropriation authority between
22 funding categories within the economic services program in order to
23 carry out the requirements of this subsection.

24 (4) The department shall monitor expenditures against the
25 appropriation levels provided for in subsection (1) of this section.
26 The department shall quarterly make a determination as to whether
27 expenditure levels will exceed available funding and communicate its
28 finding to the legislature. If the determination indicates that
29 expenditures will exceed funding at the end of the fiscal year, the
30 department shall take all necessary actions to ensure that all services
31 provided under this chapter shall be made available only to the extent
32 of the availability and level of appropriation made by the legislature.

33 **Sec. 956.** RCW 77.12.820 and 1997 c 422 s 5 are each amended to
34 read as follows:

35 The eastern Washington pheasant enhancement account is created in
36 the custody of the state treasurer. All receipts under RCW 77.12.810
37 must be deposited in the account. Moneys in the account are subject to

1 legislative appropriation and shall be used for the purpose of funding
2 the eastern Washington pheasant enhancement program. The department
3 may use moneys from the account to improve pheasant habitat or to
4 purchase or produce pheasants. Except as otherwise provided in the
5 omnibus appropriations act for the 2009-2011 fiscal biennium, not less
6 than eighty percent of expenditures from the account must be used to
7 purchase or produce pheasants. The eastern Washington pheasant
8 enhancement account funds must not be used for the purchase of land.
9 The account may be used to offer grants to improve pheasant habitat on
10 public or private lands that are open to public hunting. The
11 department may enter partnerships with private landowners, nonprofit
12 corporations, cooperative groups, and federal or state agencies for the
13 purposes of pheasant habitat enhancement in areas that will be
14 available for public hunting.

15 **Sec. 957.** RCW 77.32.010 and 2008 c 329 s 923 are each amended to
16 read as follows:

17 (1) Except as otherwise provided in this chapter, a recreational
18 license issued by the director is required to hunt for or take wild
19 animals or wild birds, fish for, take, or harvest fish, shellfish, and
20 seaweed. A recreational fishing or shellfish license is not required
21 for carp, smelt, and crawfish, and a hunting license is not required
22 for bullfrogs.

23 (2) A permit issued by the department is required to park a motor
24 vehicle upon improved department access facilities.

25 (3) During the ((2007-09)) 2009-2011 fiscal biennium to enable the
26 implementation of the pilot project established in section 307, chapter
27 329, Laws of 2008, a fishing permit issued to a nontribal member by the
28 Colville Tribes shall satisfy the license requirements in subsection
29 (1) of this section on the waters of Lake Rufus Woods and on the north
30 shore of Lake Rufus Woods, and a Colville Tribes tribal member
31 identification card shall satisfy the license requirements in
32 subsection (1) of this section on all waters of Lake Rufus Woods.

33 **Sec. 958.** RCW 79.64.040 and 2007 c 522 s 958 are each amended to
34 read as follows:

35 (1) The board shall determine the amount deemed necessary in order
36 to achieve the purposes of this chapter and shall provide by rule for

1 the deduction of this amount from the moneys received from all leases,
2 sales, contracts, licenses, permits, easements, and rights-of-way
3 issued by the department and affecting state lands and aquatic lands,
4 provided that no deduction shall be made from the proceeds from
5 agricultural college lands.

6 (2) Moneys received as deposits from successful bidders, advance
7 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
8 prior to December 1, 1981, which have not been subjected to deduction
9 under this section are not subject to deduction under this section.

10 (3) Except as otherwise provided in subsection (5) of this section,
11 the deductions authorized under this section shall not exceed twenty-
12 five percent of the moneys received by the department in connection
13 with any one transaction pertaining to state lands and aquatic lands
14 other than second-class tide and shore lands and the beds of navigable
15 waters, and fifty percent of the moneys received by the department
16 pertaining to second-class tide and shore lands and the beds of
17 navigable waters.

18 (4) In the event that the department sells logs using the contract
19 harvesting process described in RCW 79.15.500 through 79.15.530, the
20 moneys received subject to this section are the net proceeds from the
21 contract harvesting sale.

22 (5) During the ((2007-2009)) 2009-2011 fiscal biennium, the twenty-
23 five percent limitation on deductions set in subsection (3) of this
24 section may be increased up to thirty percent by the board(~~(, provided~~
25 ~~the total amount deducted does not exceed the total appropriations in~~
26 ~~the operating and capital budgets for the fiscal period. At the end of~~
27 ~~the fiscal period, any amounts deducted in excess of the appropriations~~
28 ~~shall be transferred to the appropriate beneficiary distribution~~
29 ~~accounts)).~~

30 **Sec. 959.** RCW 79A.25.080 and 2007 c 241 s 44 are each amended to
31 read as follows:

32 (1) Moneys transferred to the recreation resource account from the
33 marine fuel tax refund account may be used when appropriated by the
34 legislature, as well as any federal or other funds now or hereafter
35 available, to pay the office and necessary administrative and
36 coordinative costs of the recreation and conservation funding board
37 established by RCW 79A.25.110. All moneys so transferred, except those

1 appropriated as aforesaid, shall be divided into two equal shares and
2 shall be used to benefit watercraft recreation in this state as
3 follows:

4 ~~((1))~~ (a) One share as grants to state agencies for ~~((a))~~ (i)
5 acquisition of title to, or any interests or rights in, marine
6 recreation land, ~~((b))~~ (ii) capital improvement and renovation of
7 marine recreation land, including periodic dredging in accordance with
8 subsection ~~((3))~~ (2) of this section, if needed, to maintain or make
9 the facility more useful, or ~~((e))~~ (iii) matching funds in any case
10 where federal or other funds are made available on a matching basis for
11 purposes described in (a)(i) or ~~((b))~~ (ii) of this subsection;

12 ~~((2))~~ (b) One share as grants to public bodies to help finance
13 ~~((a))~~ (i) acquisition of title to, or any interests or rights in,
14 marine recreation land, or ~~((b))~~ (ii) capital improvement and
15 renovation of marine recreation land, including periodic dredging in
16 accordance with subsection ~~((3))~~ (2) of this section, if needed, to
17 maintain or make the facility more useful. A public body is authorized
18 to use a grant, together with its own contribution, as matching funds
19 in any case where federal or other funds are made available for
20 purposes described in (a)(i) or ~~((b))~~ (ii) of this subsection. The
21 board may prescribe further terms and conditions for the making of
22 grants in order to carry out the purposes of this chapter.

23 ~~((3))~~ (2) For the purposes of this section "periodic dredging" is
24 limited to dredging of materials that have been deposited in a channel
25 due to unforeseen events. This dredging should extend the expected
26 usefulness of the facility for at least five years.

27 (3) During the 2009-2011 fiscal biennium, the legislature may
28 appropriate such amounts as reflect the excess fund balance in the
29 recreation resource account to the state parks and recreation
30 commission for maintenance and operation of parks and to improve
31 accessibility for boaters and off-road vehicle users. This
32 appropriation is not required to follow the specific distribution
33 specified in subsection (1)(a) and (b) of this section.

34 **Sec. 960.** RCW 79.105.150 and 2008 c 299 s 28 are each amended to
35 read as follows:

36 (1) After deduction for management costs as provided in RCW
37 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys

1 received by the state from the sale or lease of state-owned aquatic
2 lands and from the sale of valuable material from state-owned aquatic
3 lands shall be deposited in the aquatic lands enhancement account which
4 is hereby created in the state treasury. After appropriation, these
5 funds shall be used solely for aquatic lands enhancement projects; for
6 the purchase, improvement, or protection of aquatic lands for public
7 purposes; for providing and improving access to the lands; and for
8 volunteer cooperative fish and game projects. During the 2009-11
9 fiscal biennium, the legislature may transfer from the aquatic lands
10 enhancement account to the state general fund such amounts as reflect
11 excess fund balance of the account.

12 (2) In providing grants for aquatic lands enhancement projects, the
13 recreation and conservation funding board shall:

14 (a) Require grant recipients to incorporate the environmental
15 benefits of the project into their grant applications;

16 (b) Utilize the statement of environmental benefits, consideration,
17 except as provided in RCW 79.105.610, of whether the applicant is a
18 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
19 referenced in the action agenda developed by the Puget Sound
20 partnership under RCW 90.71.310, and except as otherwise provided in
21 RCW 79.105.630, and effective one calendar year following the
22 development and statewide availability of model evergreen community
23 management plans and ordinances under RCW 35.105.050, whether the
24 applicant is an entity that has been recognized, and what gradation of
25 recognition was received, in the evergreen community recognition
26 program created in RCW 35.105.030 in its prioritization and selection
27 process; and

28 (c) Develop appropriate outcome-focused performance measures to be
29 used both for management and performance assessment of the grants.

30 (3) To the extent possible, the department should coordinate its
31 performance measure system with other natural resource-related agencies
32 as defined in RCW 43.41.270.

33 (4) The department shall consult with affected interest groups in
34 implementing this section.

35 (5) After January 1, 2010, any project designed to address the
36 restoration of Puget Sound may be funded under this chapter only if the
37 project is not in conflict with the action agenda developed by the
38 Puget Sound partnership under RCW 90.71.310.

1 **Sec. 961.** RCW 80.01.080 and 2006 c 3 s 2 are each amended to read
2 as follows:

3 There is created in the state treasury a public service revolving
4 fund. Regulatory fees payable by all types of public service companies
5 shall be deposited to the credit of the public service revolving fund.
6 Except for expenses payable out of the pipeline safety account, all
7 expense of operation of the Washington utilities and transportation
8 commission shall be payable out of the public service revolving fund.

9 During the ~~((2003-2005))~~ 2009-2011 fiscal biennium, the legislature
10 may transfer from the public service revolving fund to the state
11 general fund such amounts as reflect the excess fund balance of the
12 fund.

13 ~~((Due to the extraordinarily high winter energy costs, during the
14 2005-2007 fiscal biennium, no more than seven million six hundred
15 thousand dollars, as appropriated in section 1, chapter 3, Laws of
16 2006, shall be payable out of the public service revolving fund to
17 provide energy assistance to customers in accordance with the
18 low-income energy assistance program.))~~

19 **Sec. 962.** RCW 80.36.430 and 2004 c 254 s 2 are each amended to
20 read as follows:

21 (1) The Washington telephone assistance program shall be funded by
22 a telephone assistance excise tax on all switched access lines and by
23 funds from any federal government or other programs for this purpose.
24 Switched access lines are defined in RCW 82.14B.020. The telephone
25 assistance excise tax shall be applied equally to all residential and
26 business access lines not to exceed fourteen cents per month. The
27 department shall submit an approved annual budget for the Washington
28 telephone assistance program to the department of revenue no later than
29 March 1st prior to the beginning of each fiscal year. The department
30 of revenue shall then determine the amount of telephone assistance
31 excise tax to be placed on each switched access line and shall inform
32 local exchange companies and the utilities and transportation
33 commission of this amount no later than May 1st. The department of
34 revenue shall determine the amount of telephone assistance excise tax
35 by dividing the total of the program budget funded by the telephone
36 assistance excise tax, as submitted by the department, by the total
37 number of switched access lines in the prior calendar year. The

1 telephone assistance excise tax shall be separately identified on each
2 ratepayer's bill as the "Washington telephone assistance program." All
3 money collected from the telephone assistance excise tax shall be
4 transferred to a telephone assistance fund administered by the
5 department.

6 (2) Local exchange companies shall bill the fund for their expenses
7 incurred in offering the telephone assistance program, including
8 administrative and program expenses. The department shall disburse the
9 money to the local exchange companies. The department is exempted from
10 having to conclude a contract with local exchange companies in order to
11 effect this reimbursement. The department shall recover its
12 administrative costs from the fund. The department may specify by rule
13 the range and extent of administrative and program expenses that will
14 be reimbursed to local exchange companies.

15 (3) The department shall enter into an agreement with the
16 department of community, trade, and economic development for an amount
17 not to exceed eight percent of the prior fiscal year's total revenue
18 for the administrative and program expenses of providing community
19 service voice mail services. The community service voice mail service
20 may include toll-free lines in community action agencies through which
21 recipients can access their community service voice mailboxes at no
22 charge.

23 (4) During the 2009-2011 biennium, the department shall enter into
24 an agreement with the military department for one million dollars to
25 support the WIN 211 program.

26 **Sec. 963.** RCW 86.26.007 and 2005 c 518 s 947 are each amended to
27 read as follows:

28 The flood control assistance account is hereby established in the
29 state treasury. At the beginning of the 2005-2007 fiscal biennium, the
30 state treasurer shall transfer three million dollars from the general
31 fund to the flood control assistance account. Each biennium thereafter
32 the state treasurer shall transfer four million dollars from the
33 general fund to the flood control assistance account, except that
34 during the 2009-2011 fiscal biennium, the state treasurer shall
35 transfer two million dollars from the general fund to the flood control
36 assistance account. Moneys in the flood control assistance account may

1 be spent only after appropriation for purposes specified under this
2 chapter.

3 NEW SECTION. **Sec. 964.** Section 941 of this act expires June 30,
4 2011.

5 NEW SECTION. **Sec. 965.** Section 943 of this act expires June 30,
6 2016.

7 NEW SECTION. **Sec. 966.** If any provision of this act or its
8 application to any person or circumstance is held invalid, the
9 remainder of the act or the application of the provision to other
10 persons or circumstances is not affected.

11 NEW SECTION. **Sec. 967.** This act is necessary for the immediate
12 preservation of the public peace, health, or safety, or support of the
13 state government and its existing public institutions, and takes effect
14 immediately.

(End of bill)

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